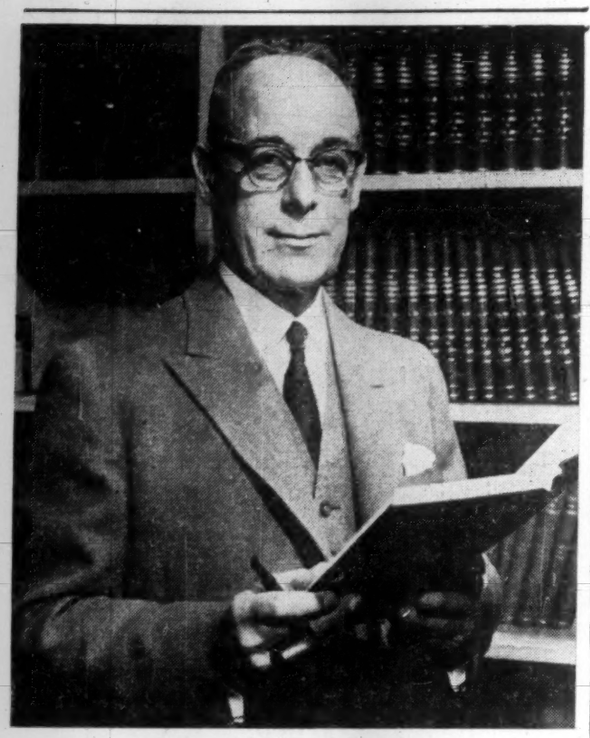
The Financial Post

20 cents

Canada's National Weekly of Business, Investment and Public Affairs.

Vol. XLIX Twenty Cents an issue, Six Dollars a Year ★ Publication Office: Toronto, September 17, 1955 ★ Member of Audit Bureau of Circulations No. 38

He Leads Accountants



Gerald E. Martin, of Halifax, this week assumed the presidency of the Canadian Institute of Chartered Accountants. Mr. Martin, partner of the firm Lee & Martin, which has six offices in the Atlantic provinces, will be devoting much time in the next year to efforts designed to standardize the early training of Canadian accountants. The C.I.C.A. has some 6,400 members drawn from every province across the land. *(Personality sketch, page 6.)*

Union Wars Threaten Over CCL-TLC Merger

United Mine Workers Balk At Conditions And Stipulations; In-Fighting Could Hit At Some Key Industries, Spread To Others

By FRANK KAPLAN

The planned merger of Canada's two major labor organizations into an all-powerful group one million strong has hit some rough water that could lead to a full-scale union war.

It could lead to raiding between labor groups and upset operations of important Canadian industries.

The latest fly in the labor-merger ointment is the powerful United Mine Workers, affiliated with the Canadian Congress of Labor.

UMW has told the unity group which is working toward combining the TLC and the CCL into a Canadian Labor Congress that it won't go along with the merger. It passed on this decision through the CCL.

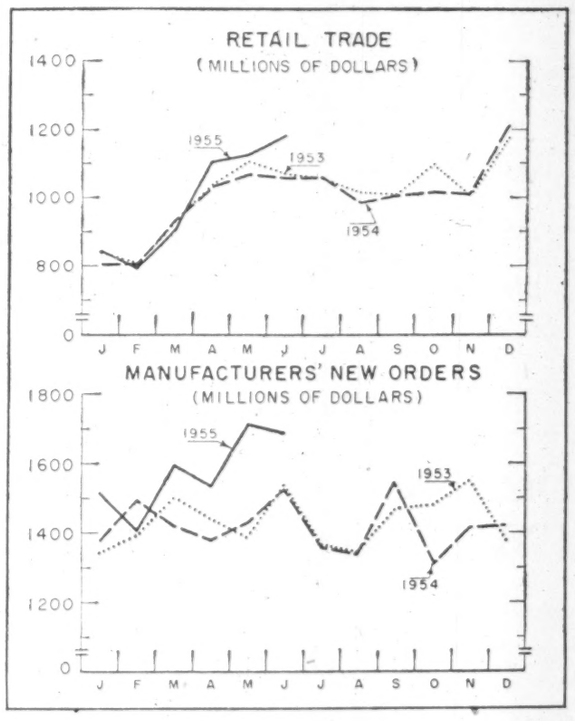
This decision was made by top brass of UMW some time ago but is being kept quiet pending an expected full-scale argument at the CCL convention in Toronto early next month. (A TLC convention has already approved the merger over considerable opposition which required all the diplomatic efforts of its president, Claude Jodoin, to smooth over difficulties.)

The reason: UMW does not want to give up at least one third of its 25,000 membership in Canada to other unions.

Silby Barrett, veteran labor leader who is Canadian director of UMW's District 50 and a vice-president of the CCL, prior to his current illness disclosed this stand in pungent language to

(Continued on page 10, col. 2)

The Pace of Business



Tempo Quickens On Retail Front

1955 Shapes Up As Biggest Retailing Year In Canadian History; Boom Includes Broad Range of Consumer Goods In All Regions

By DONALD GORDON

Mark 1955 down as the biggest year in Canadian retail history. Indications now point to a free-spending fall. That means retail sales totals, already out-running 1954, will gain speed in the stretch and enter an all-time record.

A Post coast-to-coast survey indicates all regions are sharing in the better business.

It's no short-run back-to-school boom. It reaches back across a broad range of the consumer goods circuit: retail sales are up and going higher; retail inventories, generally, are up; manufacturers' sales are up; manufacturers' inventories are sharply down, and manufacturers have long lists on their order books.

There is a host of buoyant business factors to strengthen the busy fall outlook:

—A jump in personal income. The April-June seasonally adjusted annual rate of seasonal income was $19.6 billions, 8.3% higher than the same 1954 period.

—Higher wages. The industrial average as of July 1 was $60.87, compared with $58.98 on July 1, 1954. The manufacturing plant average was $63.28.

—Lower unemployment totals. Mid-June figures were 157,000 compared with 186,000 the year before, according to the labor force survey.

—Prospects for fewer winter lay-offs this year. (See page 17.)

—Population increase. Now at 15,634,100, the nation's population is forecast at more than 17.6 million by 1960.

As a result, retailers note general consumer confidence which is in turn being expressed in ready spending.

Indicative of the trend, inventories are slightly bigger this fall than they were a year ago. Stocks on hand in retail stores have been running ahead of 1954 totals every month as storekeepers have been keeping bigger stocks on hand to meet anticipated bigger sales totals.

How Sales Up

For the first six months alone, retail trade totaled $5,938.6 millions, some $250 millions ahead of the same period in 1954. Summer sales are expected to shove the lead even higher, boosted by whopping business in soft drinks, beer, summer clothing and light foods. Appliances, building materials, and restaurant sales were also reported up during the hot weather.

Helping fall totals is healthy business in back-to-school clothes, books and equipment. In addition, families returning from summer vacations are providing a promising market for fall wardrobes, home improvements, appliances and foods to re-stock larders.

Here's a quick look across the nation: In B.C. first reports indicate that the close to 10% increase in spending for the first six months of the year is continuing into the third quarter. On the Prairies, farmers encouraged by excellent crop rospects, are loosening their purse strings again after a summer of cautious spending. Central Canada sales are continuing to skyrocket and in the Maritimes, Newfoundland grosses are reported well up with the outlook "lush."

So far price increases for a wide range of products have done little to dampen demand. Reflecting higher labor and materials costs and also the result of very firm demand in some cases, prices are up for clothing, some foods, jewelry, a variety of hardware goods and hats. Increases are expected in appliances when new lines come out and for some

(Continued on page 11, col. 4)

Inside News

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THE NATION'S BUSINESS

Here Is a Boost That Helps Us All

Between July 1954 and July of this year (latest figure available) the index of industrial production rose by 37.5 points while the index of industrial employment remained almost stationary.

The two figures reflect entirely different measurements, the one dollars, the other heads, but the fact that the one is rising sharply while the other is holding steady indicates that we're enjoying that greatest of economic blessings; namely a real rise in productivity. Canadians employed in industry are learning to turn out more goods and services, for every working day.

The increased productivity has meant, as it should always mean, more pay. Total labor income rose from $980 millions in May 1954 to $1,049 millions in the same month this year. Average weekly earnings in industry increased from $58.42 in June 1954 to $60.76 in June 1955.

Since, in the same period the consumer price index dropped a fraction, the dollars in the pay envelope bought a little more than they did a year ago. Profits rose too, from $540 millions in the first quarter of 1954 to $570 millions in the first quarter of 1955.

All this merely confirms what is clearly visible to the naked eye in every industrial centre throughout the country.

Canadian firms have been rebuilding obsolete plants, discarding obsolete equipment and getting away from the lazy, inefficient methods of production and marketing that crept into being during the control days of the war and in the sellers' market period which immediately followed. Now costs and buyers' preferences must get first consideration again and our economy is the better for the change.

Since the war, too, Canadians have been acquiring a higher level of education, more skills, and more eagerness to do a good job. Canadian opportunities have attracted the capital needed to put a pair of hands and a brain to work in the most effective way.

An increase in productivity means more than just a temporary boost in our living standard. It protects our future, too, by broadening the domestic market and (above all) by putting us in a much better trading or competitive position in our dealings with the rest of the world.

Let's keep it up.

* * *

Ottawa Must Think Fast

The Federal Government has now got just two weeks to decide the proposal it will make to the provinces for a new division of taxing powers in the five year period from 1957 to 1962.

Its officials have had their final preparatory meeting with provincial officials, as reported elsewhere on this page. The general line of the federal approach is still uncertain, and the taxpayers of Canada, especially in business, have as much at stake as the provincial governments.

The dilemma facing Mr. St. Laurent, Finance Minister Harris and the rest of the Cabinet is not an enviable one. It may seem to them that they are torn between what is politically desirable and what is fiscally desirable.

Politically, both on the narrow grounds of the Liberal Party's interest and more broadly on serious grounds of national unity, the great objective must be to close some of the gap which has developed between Quebec and the rest of the provinces because of its peculiar view of taxing powers. It is unfortunate, and it is bad for Canada, to appear to penalize Quebec too heavily because it clings to a special view of provincial taxation rights which under the constitution is incontestable.

This no doubt, is the main consideration which has led the Federal Government to lean so heavily toward some sort of equalization formula in place of the tax rental agreements which Quebec will not accept.

But what causes so much anxiety both among tax experts and in most of the provincial capitals is the fear that Ottawa is ready to throw out the baby as well as the bathwater.

This Baby Worth Saving

While the tax rental agreements opened up a disagreement between Quebec and the other nine provinces, they had great virtues which are difficult to achieve in any other way in a federation such as ours. They provided, most notably, a degree of uniformity in taxation which is not merely a convenience and a saving to every taxpayer but a vital need for proper economic development in an expanding country.

They also concentrated in the only hands capable of exercising it; the control over national fiscal policy which is essential to any sort of government efforts to contribute toward economic stability. It is incomprehensible that these hard-won and highly desirable achievements should be lightly thrown aside.

Canadian taxpayers must insist, in all reason but with real urgency, that Ottawa shall find means to retain these vital advantages of the present tax rental system. The formulae which have been under discussion can be adapted to save the baby. One possible way of doing so is outlined in our despatch this week.

The essential point right now, however, is to persuade Ottawa not to forget the baby. It is one well worth saving indeed.

New Industrial Community To Be Set Up In Toronto

One of the last big central properties in Metropolitan Toronto—a 388-acre site, part of which was the Thorncliffe race track property—is being opened up for industrial, commercial and residential development.

An investment group—mainly Canadian with some U. S. participation—has acquired the acreage from Thorndale Securities Ltd., and is understood planning to operate the major part as a continuing venture. It will sell some land for residential housing, but it plans to build everything else, including plants, shopping centre and apartments.

Of the 388 acres, something over 200 are suitable for development, the balance ravine and park land. Most of the property is in Toronto's Leaside, with small portions in East York and North York. Leaside acquired the land from East York last year. Water and sewage services would be supplied from Leaside, it's understood.

A company is being incorporated to develop the property, and public financing is expected shortly, probably in the form of common stock, totaling about $2½ millions. The aim is to attract light industry. The planned shopping centre would be of medium size, with the residential area to include private homes, duplexes and apartment buildings.

The area is served by the CPR on the north. The CNR line runs along the southern boundary in the Don Valley, the Don Mills road on the east and Millwood Rd. on the west. The proposed Don Valley speedway, when completed, would provide access to the property in addition to the present road links.

There has been considerable industrial expansion in the area just north of Thorncliffe, in Leaside. Farther north still, on the Don Mills Road, a new community of Don Mills has been built up within the last couple of years on what was rolling farm land. It, too, is within the boundaries of Metropolitan Toronto.

The Don Mills Developments Ltd. project is on a much larger scale than the proposed Thorncliffe plan. The townsite of Don Mills covers 3,000 acres—eight times bigger than Thorncliffe—and ultimate investment there is expected to reach $200 millions.

No estimate of how big the investment in Thorncliffe may be has yet been revealed. It will be considerably less in total than at Don Mills, but the investment per acre is expected to be greater, on the basis of present plans, than the $65,000-$70,000 indicated for the Don Mills project.

PRICES

(SEE ALSO TREND OF BUSINESS P 19)

Coffee up 3c lb. at 97-99c lb. retail for chain store brands. National brands likely to remain steady for time being despite rising futures market since two-three months stock on hand.

Copper continuing firm with some uncertainty (reflected in fluctuations in London market) following rumors that U. S. Government will seek legislation to divert 100,000 tons from stockpile to domestic market. Present quoted price 43c lb. with some buyers paying as high as 51-52c spot.

Zinc, continuing in strong demand, may go to 12½c lb. later this fall, up ½c.

Platinum increased about $11 oz. to $91-94 Canadian less 1½% following U. S. price increases. Main reason: short supplies reflecting heavy use as a catalyst in oil refinery catalytic reforming units.

Liquid chlorine up $2.40 a short ton (2,000 lb.) to $61 ton in U. S. due to rises in labor, materials costs. No increase in Canadian price, currently $67 short ton, planned in immediate future.

Crude oil prices for Pembina Cardium crude increased 4c bbl. to $2.52 by Imperial Oil.

Will Ventures Philosophy Be Changed By Anderson?

Does the Robert B. Anderson appointment as president mean a turning point in the policy of Ventures Ltd.?

For 27 years, Thayer Lindsley has been one of the great mining financiers of our time. His restless energy and imagination have driven him to a great procession of mining endeavors which have won him the admiration of people on three continents.

The Lindsley activities have also led to vigorous questioning along these lines: "New developments are fine but when do we go to the payoff stage?" Almost every annual meeting has had the question raised.

At this year's annual meeting, it was announced that Ventures and Frobisher would turn over exploration to a new company, concentrating in future on promising projects already on hand. It is understood that this policy was adopted at the insistence of a revamped Ventures board of directors.

Anderson's appointment is reported to be vigorously favored by Mr. Lindsley. Anderson is regarded as Lindsley's protégé.

Most notable thing about Anderson — as far as the Ventures presidency is concerned — appears to be the fact that his record shows no previous intimacy with mining.

Mr. Anderson, until recently United States Deputy Secretary of Defense and earlier Secretary of the Navy, is a lawyer who spent a 16-year stint as general manager of a vast Texas oil-cattle farming enterprise following

(Continued on page 10, col. 2)

Our Economy Surges Ahead GNP Runs At $26¼ Billions

OTTAWA (Staff) — Canada's economy is surging ahead at a speed that is making even the optimists look conservative. Official figures published at mid-week show that Gross National Product reached the unprecedented rate of $26¼ billions a year in the second quarter of this year — a quarter of a billion dollars greater than the rate which Finance Minister Walter Harris in April had hopefully predicted might be reached by the end of this year.

The seasonally adjusted GNP of $26,248 billions for April-June was well over $1 billion, or 4.2%, in excess of the annual rate of $25.2 billions set during the first quarter. There have been quarter-to-quarter increases as big as this in the past. But this jump is probably the most significant one in our recent economic history, for two main reasons:

—Inflation played no part in it. There were almost no price changes during this quarter, in sharp contrast to other periods when GNP was rising quickly, nor were inventories rising.

—The increase was widespread. No one industry dominated the second-quarter boom as, for instance, automobile production did during the January-March advance.

The widely diffused gains in production were accompanied by a 4% increase in the number of people holding nonagricultural jobs, compared with second-quarter 1954. Unemployment was 2% lower.

Besides being more numerous, jobs were better paying. Wages and salaries rose by 5.7% in first half 1955 over first half 1954.

Indications are that corporation profits in the second quarter were a whopping 20% greater than a year ago, although final figures won't be available for a week or two. Largely as a result of this, investment income climbed 13% between the first and second quarters of this year, to reach a seasonally adjusted annual rate of $4.4 billions.

Gross National Product in the second quarter was 4.2% higher than in the preceding quarter, 9.5% higher than in the same

(Continued on page 2, col. 3)

Page-Hersey Tubes May Build Big-Inch Pipe Mill

Page - Hersey Tubes, Ltd., Canada's biggest pipe manufacturer, is considering construction of a new multi-million dollar pipe mill in Ontario to enable the company to manufacture "big inch" pipe, The Post understands.

With an eye to the huge developing oil and gas pipeline business in this country Page-Hersey is thinking of installing facilities to produce pipe of up to 24 in. diameter. At present all pipe over 16-in. diameter—top size turned out by Page-Hersey at its Welland, Ont. plant—has to be imported.

While the new mill would not enable the company to get in on the main transmission line of the proposed trans-Canada gas pipeline (to be 34 and 30-in. diameter) it could service a huge new market in gas and oil lateral and distribution lines. Records of big oil and gas pipeline companies in U.S. show that over the years pipe mileage in laterals and distribution lines usually surpass that of the main transmission line.

Page-Hersey's plant, located on a 75-acre site near Welland, comprises six mills with a total annual capacity of 316,000 net tons of black and galvanized pipe and tubing with a size range of ⅛ in. to 16 in.

Sparring Over, UAW, GM Now Deal In Facts

With a strike deadline only days away, General Motors of Canada and United Automobile Workers union bargaining teams this week settled down to hard and fast bargaining after five months of inconclusive sparring.

UAW representatives, backed whole-heartedly by the some 18,000 GM workers under contract, set Monday, Sept. 19 as the day when their members will "hit the bricks" if agreement isn't reached.

But in two separate sets of negotiations in Toronto, the possibility that contracts may be quickly concluded was strong at mid-week. Neither GM nor the UAW want a strike at this time when the big push for sales of 1956 models is getting ready to roll.

The reasons for bright settlement prospects:

—Negotiators set themselves a heavy schedule of daily bargaining sessions, including Sunday.

—Experts on the contract signed between GM in the U.S., and the UAW there moved into seats along both sides of the bargaining table.

The union had assistance from two representatives from its U.S. team and GM had the help of two of the top labor relations officials of its U. S. parent company.

Arrival of these hard bargainers indicated a chips-are-down situation, particularly over the controversial so-called Guaranteed Annual Wage which the UAW is seeking.

GM in the U. S. settled with the UAW on the basis of a three-year contract which included a form of GAW.

Most of the more than 100 issues

(Continued on page 10, col. 2)

THE SIGNS AND PORTENTS

By PETER C. NEWMAN

NET PROFITS of Canadian corporations will this year top $1.5 billions, a five-year record. Expect four of five firms to report higher earnings, average net up 12%. Dividend payments will wind up at least 10% ahead of 1954's $593-million total.

* * *

CANADA'S DOLLAR premium will continue bothering Canadian exporters. Foreign money keeps pouring into the country. Direct investments from the U. S. alone now exceed $6 billions. Funds coming in through Wall Street open-end mutual funds are more than offsetting slowed U. S. branch plant growth here. Any signs of the Canadian dollar moving downward would flood the New York money market with Canadian provincial and municipal issues, pushing the dollar back up.

* * *

LONG-TERM WHEAT SALE prospects shouldn't worry anyone. U. N. projections show a 40% jump in world population—to a total of 3.6 billions—by 1975. Efforts by wheat surplus countries to increase grain crop productivity will almost certainly lag behind the hunger of the extra multitudes.

* * *

YOU CAN EXPECT Canada's 1955 capital spending bill to top the Government's optimistic $5.8-billion estimate. And 1956 may accelerate the expansion pace. Value of building contracts awarded this year will topple all records, with a hefty $2.5-billion total now likely.

* * *

NO CANADIAN BANKS plan to follow Toronto/Dominion to the altar. But the merger rush is on south of the border. More than 300 U. S. banks are now negotiating marriage vows.

* * *

YOU CAN RULE OUT the possibility of convertibility this year. Sterling area gold and dollar reserves now exceed the two-billion safety level by only $457 millions. That's a $1.5-billion drop since 1950. And the outlook continues gloomy. R. A. Butler's credit-tightening efforts are being offset by the Britishers' high and rising income. Incessant labor strife is killing intensification of the U. K.'s export flow.

* * *

JORDAN, TURKEY AND INDIA will soon be shopping in world markets for 700 locomotives. Canadian diesel makers may write some of the orders.

* * *

CANADA NOW HAS more men than women. This margin will increase. Males predominate in immigrant groups, particularly among newcomers under 18 — a quarter of the influx. The marriageable Canadian girl's gain is her European cousin's loss. Several trans-Atlantic matrimonial bureaus are now flourishing here.

* * *

HOLLYWOOD IS BETTING on rising Canadian consumer income. First-run audiences will have to pay $2 for reserved seats to watch lavish screen epics. Drive-in construction is to be stepped up.

Stock Market Highlights

Industrials

Stocks of Weston companies keep going up. George Weston Ltd. common touches $124½ (up $6). Eddy Paper up $5 to $81½, Loblaw B up $3 to $90, Loblaw Inc. up $8 to $85. Rumors of an announcement "soon" circulating since April, strong again. More than 90% of Western Grocers common turned in under $128 a share offer for that member of the group.

National Steel Car common tumbles $6½ to $28½ then recovers to $30 on news of sharp drop in last year's earnings. This year's prospects much better.

Ford of Canada A touches record $148 up $10 in week.

International Petroleum jumps suddenly $3¼ a share to $28½ Tuesday. Had been trading in the $25-$26 range recently.

Mines

Ventures jumps to $47½ from recent $42 price as new president named and N. Y. buying continues.

Opemiska Copper sells up to all-time high of $10⅜ before reacting as doubling of mill capacity proceeds and Chibougamau issues strong.

Hoyle Mining proves feature among Ventures issues rising $1 in week to sell at new high of $9, reflecting big stake in Opemiska, dividend income prospects.

Lake Dufault moves up from $2.20 to sell at over $2.85 a share as fairly small but high grade copper discovery made in area where recent surface drilling has given encouragement. Over-all picture reported improved.

Consolidated Fenimore moves through $2 mark to sell at $2.40 as J. Bradley Streit named president.

Mogul firms to $3.75 a share as company reported likely developer of large tonnage but low grade copper mine in Ireland (recently visited by Canadians).

Grandines trades heavily and moves up sharply to 45c as drilling to resume on Roy twp. (Chibougamau) property where earlier work showed 300,000 tons averaging 2% copper and further anomalies revealed by E-M survey.

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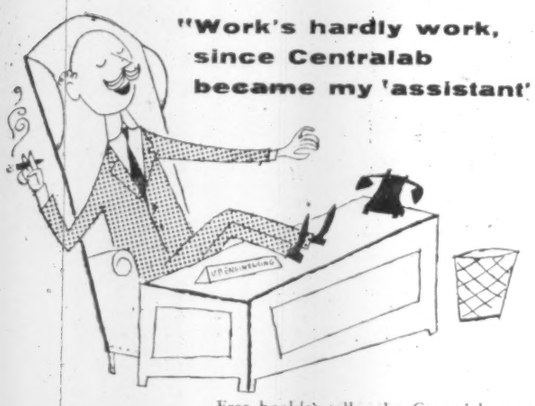

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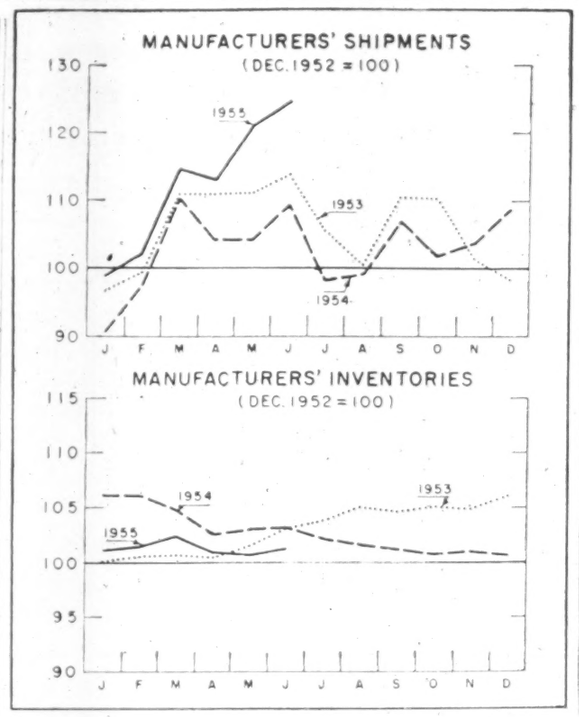

Our Economy Surges Ahead CNP Runs at $26¼ Billions

(Continued from page 1)

quarter of 1954 (the first-quarter increase, 1955 vs 1954, was only 5.5%). If, in third quarter 1955, GNP rose by even a modest 1% over the second quarter and remained at that level for the rest of 1955, the year's GNP would then be a round $26 billions — three quarters of a million dollars higher than the estimated GNP on which Finance Minister Harris based his 1955-56 budget.

Gains Distributed

Just as striking as the size of the increase in GNP during the second quarter over the first, was its balance.

In January-March, when GNP was 5.5% higher than year-ago figures, about half of the increase was contributed by automobile manufacturing and related industries. Inventory accumulation was another big factor; business inventories rose by $364 millions, mostly because auto manufacturers in March were delaying shipments to retailers, in anticipation of the 5% cut in auto excise taxes announced April 5 in the budget speech.

In April-June, when GNP was 9.5% greater than a year earlier, the major part of the increase took place in nondurable goods industries, such as foods and primary textiles. Business inventories rose by only $20 millions.

Although spending on nonresidential construction (seasonally adjusted) showed little change between first and second quarters, new residential construction expenditures were 12% higher in April-June than in the preceding quarter, and 33% higher than a year earlier. This was the largest single percentage gain of any major component of Gross National Expenditure.

(Other statistics published earlier this week by DBS show that at July 31, total 1955 housing starts were 21% higher than in the first seven months of last year, completions 24% higher, and houses under construction 16% higher.)

Residential construction in the second quarter was running at the rate of about 120,000 new homes a year — somewhat higher than the figure which experts say is necessary to keep up with current demand.

For the first time in more than two years, there was a major increase—14%—in investment in new machinery and equipment in the second quarter compared with the first. Much of this is attributable to soaring sales of trucks and cars for business use which, government statisticians estimate, were respectively 24% and 36% higher than a year ago. For the first six months, however, total of investment in new machinery and equipment was virtually unchanged from last year ($929 millions vs. $937 millions).

Still another major source of strength, on the expenditure side of the national accounts, was foreign trade. Exports of goods and services in first half 1955 were 10.4% higher than a year ago, and imports 8.1% higher (The Post, Sept. 10).

Expenditures by the three levels of government during second quarter 1955 were at the annual rate of $4.6 billions, 7.1% higher than year earlier. Defense expenditures, which contributed nearly half of this increase were up 9%, but this rise was attributable in greater measure to "housekeeping" — payrolls and maintenance — than to procurement. The growth in expenditures by provincial and municipal governments is a natural result of the boom in residential construction; as new houses go up, so must new schools, new hospitals, new roads.

Car-Buying Record

Canadian consumers spread their shopping dollars more evenly among durables, nondurables and services in the second quarter of this year than in the first; increases in these three major groups were respectively 15%, 4% and 2% over January-March. New cars, production of which dominated the first quarter, were bought in record numbers during the second quarter; compared with second quarter 1954, value of new cars sold was up 36% (despite a drop of about 5% in car prices).

Among nondurable goods, biggest increases over last year were shown in sales of food, tobacco and alcoholic beverages.

In the services group, the rent component increased substantially as a result of the larger number of homes available and the higher level of average rents now prevailing. The consumer price index has remained almost unchanged over the past year, the increase in the price of services having been offset by a 1% decline in prices of durable and nondurable goods.

Higher wage rates and increased employment contributed largely to the 3.2% rise in personal income between the first and second quarters. In April-June, the seasonally adjusted annual rate of personal income was $19.6 billions, 8.3% greater than in second quarter 1954.

But although the unprecedented housing boom is sending mortgage debt to a new peak, and the record pace of car sales is pushing consumer credit totals higher than ever before, Canadians are saving an even greater proportion of their income—4% in January-June this year, against 3% last year.

Agriculture's share in the increased GNP was as pronounced as that of the rest of the economy; the seasonally adjusted annual rate for the second quarter was $1.4 billions, compared with the annual average of 1954 of $1.1 billions. Here, however, the increase is estimated rather than realized; value of the 1955 crop is estimated to be $300 millions higher than last year's, but this figure is subject to later revision.

Exports Leveling Off

The fact that GNP has risen in each of the past three quarters is, of course, no guarantee that it will continue to do so. Consumer spending has provided the strength to sustain the boom throughout the last three years, despite signs of a leveling-off in exports and defense expenditures.

Once again, the question becomes whether consumer spending will continue strong, or will consumers find themselves so well supplied with houses, cars, furniture, appliances, clothes, etc., that spending will taper off. The latter possibility has been decried imminent from time to time, never materialized.

Here is a summary of the Gross National Product Growth by quarters and the accompanying rise in personal income:

Quarter (Seasonally adjusted annual rate)	Gross National Product ($ Millions)	Personal Income ($ Millions)
I 1954	23,872	17,936
II 1954	23,960	18,120
III 1954	23,948	18,076
IV 1954	24,384	18,360
Year 1954	24,041	18,173
I 1955	25,192	19,004
II 1955	26,248	19,620

PRUDENTIAL INSURANCE CO. OF AMERICA paid $15,514,000 policy benefits to Canadian policyholders and beneficiaries in the first half of 1955, compared with $14,337,000 in the corresponding period last year. Total payments throughout Canada, the U. S. and Hawaii rose by $30,859,000 to $467,304,000 in first-half 1955.

Look For It Here

September 17, 1955

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Announcing

Addisons Ltd. (Toronto) — James M. Fidler, Ontario Sales Manager.

Atlas Powder Co. Canada, (Brantford, Ont.) — E. J. Goett, director; J. L. Sharpe, sales manager; B. S. Hyde, manager central sales region, office Toronto; R. E. Barbour, in charge of western operations; J. P. B. Jones, continues to serve British Columbia from Vancouver; R. M. Bateman takes over Montreal office; R. W. Lane recently added to company's technical staff at Brantford.

Henry Birks & Sons Ltd. (Montreal) — A. E. Newcomb, comptroller; D. B. Larke, assistant to the secretary and treasurer.

Canadian Westinghouse Co. (Hamilton) — T. H. Blaner, manager works planning; R. E. Hendershot, manager manufacturing services at lamp division's Three Rivers plant; E. P. Zimmerman, manager lamp sales department.

Canadian Westinghouse Supply Co. Hamilton) — J. E. Cranswick, apparatus and supply division manager; M. M. "Pete" Elliott, sales manager consumer products division; P. W. Heron, assistant sales manager for C. P. division; E. B. Carson, operations manager.

Canadian Industries (1954) Ltd. (Montreal) — Ronald Holroyd of London, Eng. (director, in charge of Imperial Chemical Industries Ltd., Research), a director.

Canadian Public Health Association — Dr. J. A. Melanson, New Brunswick's chief medical officer, president.

Consolidated Fenimore Iron Mines Ltd. (Toronto) — Harry Kirmond, vice-president & general manager.

Department of External Affairs, Canadian Government, (Ottawa) — H. G. Norman, C.M.G., Consul General for Canada in New York effective in December; J. A. Chapdelaine, Canadian Minister to Sweden and Finland, succeeding W. D. Matthews who became Assistant Under Secretary of State for External Affairs June 1.

Diamond State Fibre Co. of Canada (Toronto) — Allan G. Ballard, president; Ernest A. Thorne, vice-president headquarters, Montreal; Edward L. Crossman, secretary; Beverley W. Lyons, sales manager.

Dennison Manufacturing Co. of Canada (Drummondville, Que.) — C. W. McDougall (Toronto) director of marketing; A. G. Lancaster, (Toronto) sales manager for Ontario; A. B. Jones, Drummondville, controller.

Dominion Fasteners Ltd. (Hamilton) — E. G. (Ernie) Bradner, vice-president & general sales manager; L. (Bus) Wills, vice-president & secretary treasurer.

Export Credits Insurance Corp. (Ottawa) — D. A. Keill, Toronto branch manager; R. G. Hunt, Montreal branch manager.

Foundation of Canada Engineering Corp. (Toronto) — N. D. Lea (Toronto) and G. G. Leroux (Montreal), vice-presidents.

Grand Trunk Western Railroad Co. (Montreal) — F. A. Gaffney, vice-president & general manager, headquarters Detroit.

Great-West Life Assurance Co. (Winnipeg) — D. W. Bajus, training assistant.

George H. Hees Co. (Toronto) — C. G. Greenfield, vice-president and general manager; Wm. A. U'Ren general sales manager and a director.

Imperial Oil Ltd. (Toronto) Chemical Products (Department) — C. M. Beamer, general manager; T. B. Doherty, manager technical division; Dr. W. W. Stewart, manager sales division.

Kaiser-Willys of Canada Ltd. (Windsor, Ont.) — C. W. Grinstead, manager central sales division Willys Motors Inc.; J. J. Canning, assistant general manager; G. L. Lepage, sales manager.

Letson & Burpee (Vancouver) — Gordon M. Letson, president; L. C. Jolivet, director and sales manager.

Mutual Life Assurance Co. of Canada (Waterloo, Ont.) — H. L. Guy, general manager, a director.

New York Life Insurance Co. (Toronto) — John H. M. Smart, sales supervisor Toronto; N. Hughes Breithaupt, agency manager Toronto Branch office.

Northeastern Ontario Development Association (North Bay) — W. H. C. Marsh, general manager.

Okalta Oils Ltd. (Calgary) — John C. Udd, George Jacobsen and J. H. Wilson, directors; Mr. Wilson, vice-president and managing director.

Ridout Real Estate Ltd. (Toronto) — has purchased O. E. Carson Ltd., and staffs merged; O. E. Carson sales manager.

Sherritt Gordon Mines Ltd., (Toronto) — Wm. H. Young, acting manager chemical metallurgical division, at Fort Saskatchewan, Alta.

Standard Manufacturing Co. (St. John's Nfld.) — J. C. McCarthy, manager.

Tip Top Tailors Ltd. (Toronto) — M. Norman Manchester, manager uniform and special contract division; K. R. McKenzie, director of advertising.

Walter Woods Ltd. (Winnipeg) — L. M. Wendorf, president.

Ventures Ltd. (Toronto) — Robert B. Anderson, president.

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Drug Store Cowboys Will Have To Go

Product Revolution Changes The Old Corner Store

Modern miracle pills and potions which have brought health and even life itself to thousands of Canadians are boomeranging into a gigantic headache for druggists that no amount of aspirin — or even wonder drugs—can cure.

Miracle drugs triggered the nation's spectacular retail pharmacy boom to record sales of some $282 millions last year yet in their wake have come business problems that promise to revolutionize Canada's drug store industry.

For the future: more exclusive prescription pharmacies devoid of ice cream and other nonmedicinal commodities; fewer but better corner drug stores; bigger and more elaborate chain organizations; and most significant, transformation of the average pharmacist from "merchant on the corner" to full fledged professional status.

The key is inventory revolution.

Whereas $1,500 stocked an adequate prescription counter 15 years ago, six or seven times as much capital is needed today. Much of this inventory is regularly finding its way into retail or industrial ash cans as new technological improvements make some miracle drugs obsolete so quickly that something better is sometimes in demand even before token stocks can be moved.

Back in the days when a small supply of panther spit and a few well-rounded incantations formed the backbone of a tribe's pharmaceutical inventory, stock spoilage was an unheard of problem. Even 15 years ago, as compounders evolved from the soothing syrup, laxative, and cough drop era, wastage did not pose overly strict problems to the corner druggist.

The miracle drug has changed the picture completely.

There are thousands of varieties of new, specific drugs — each known by its own trade name and each must have its place on the druggist's shelf.

If, for example, the doctor orders Brown's Brand anti-biotic then that's what the prescription specialist must produce. Smith's Brand isn't good enough, says the law, even though the difference may be only the color of the carton in which it is shipped.

Differences Slight

Sometimes there is a difference, though, a sligh. difference. Frequently it happens that the slight difference means the one product is no longer in demand . . . and months after its purchase by the pharmacist natural spoilage takes its toll and out it goes. Some manufacturers absorb some or all of this loss, though in the end it's the consumer who pays the price.

At first glance this situation would seem to create financial hardship for the drug consumer. Yet by a scientific paradox the opposite appears to be the case.

As drugs become more complicated (and expensive) their effectiveness increases proportionately—or more.

A tiny bottle of white pills retailing at $10 has been known to put a chronic sinus infection sufferer on his feet and back on the job within 36 hours. "Ten dollars for 12 pills: outrageous!" says the sufferer. Ten years ago, of course, he accepted his week in bed, put up with excruciating pain, paid for several physician visits, and semi-cheerfully invested 35c in nose drops.

On the surface he appears to pay some 3,000% more for his medicine today and the consumer is annoyed. Bearing the brunt is the corner druggist who must absorb the complaint without having any recourse to the real cause of high drug costs: the consumer's own demand that he have only the best when he's ill.

Drug manufacturers cite the classic case of the pneumonia treatment revolution in their attempt to justify the high cost of drugs to the consumer.

Within 20 years the reduction in the pneumonia mortality rate has been 61%. Nowadays, it costs from $15 to $30 for drugs to put an average lobar pneumonia victim back at work in two weeks. Twenty years ago, the patient would have spent five weeks in hospital, $300-$400 in cash for doctors, nurses, oxygen, and hospitalization—and more if he became a client for the undertaker.

The savings, both in dollars and anguish, are tremendous. But what consumers remember most vividly is the tiny packet of $30 drugs that looked no more impressive than aspirin.

Much the same story could be told about diseases of the ear. Mastoid, a frightful word 20 years ago, is hardly known today. In some centres teaching surgeons are hard put to find enough cases of it to give student surgeons a thorough grounding in the delicate techniques required for successful mastoid surgery.

And the credit goes to modern drug research.

But all this is having a tremendous effect on your "friend in need" at the corner.

Nine out of every 10 drugs sold in drug stores today have been discovered or perfected since 1945—90% of prescriptions written this week could not have been filled 10 years ago.

This sweeping change has not come about, of course, without dislocations and troubles at the retail end. Price changes alone represent a fearful problem to pharmacists—so does the availability of competent staff.

Not too long ago, 100,000 units of penicillin cost about $20. Today this amount would sell for some 20c. Streptomycin once cost $25 per gram, it's now about 75c. Within recent years cortisone was selling at $200 per gram, now it's down to about $10.

These research-inspired price reductions are wonderful at the consumer level . . . but, says the retail pharmacist, where do they leave the operator of the corner store who must maintain adequate stocks ever before the price comes down?

One answer is to buy in small quantities and tighten inventory control. It's one solution, but as most businessmen know, it's expensive in more ways than one.

Demand On Time

Not only does it increase unit purchase prices, but it adds new time demands to the already heavy work schedule of the proprietor and it opens the door a crack to serious competition from larger stores and drug supermarkets which, understandably, need not be that cautious.

The effect already is being felt.

Whereas there was a drug outlet for every 3,024 Canadians 10 years ago there is an outlet for 3,349 today. This gain of 325 customers per store, coupled with the sizeable increase in drug prices, has changed the entire balance of drug merchandising. And it's changing still in the same direction.

Drug prescriptions now account for some 25% of the average corner drug store's business. Two decades ago, drugs formed ony 5% of the average store gross. Figures alone, however, don't tell the entire story. Many of Canada's 4,600 drug stores aren't attracting their full "quota" of business because they haven't been able to keep up with the inventory demands of doctors and consumers and even in expanding neighborhoods these outlets are withering away.

As the rate of prescription business in successful stores increases, so rises the professional status of the pharmacist-owner. With each percentage increase in drug sales he may do one of two things: drop nonprofessional lines such as ice cream or hire additional staff to merchandise the nonprofessional stock while he confines his activities to the dispensary.

Either way his professional status improves, a change that the average pharmacist believes is long overdue since a license to practice now requires four years of university study . . . instead of the two-year course required as recently as four years ago in Ontario.

The drug sales impact is being felt in other ways, too.

Most significant is the rise of the pharmaceutical clinic and the development of drug outlets that confine themselves exclusively to P.R. (prescription required) pharmaceuticals. There are more than 10 of these in Toronto alone today, the Ontario College of Pharmacy reports; they were almost unknown 10 years ago.

Another subtle change that is taking place within the pharmacy field is a switch to luxury merchandising from service merchandising. Penny candy and other minor service store commodities are on the way out of Canada's new-style pharmacies. In their place are luxury cosmetics and cameras: high profit, high inventory cost items—just like drugs.

In every way, the professional pharmacist is becoming more important. The trend toward this importance certainly is hurting some people as change always does, but there's nothing apparently that could or should be done to change the swing.

As one provincial pharmaceutical inspector put it: "The little man on the corner is on the way out. He'll have to become a big man on the corner . . . or go out of business."

How this can be done without upsetting the delicate balance between the professional prescription compounder and his customer is not yet known. There certainly are problems to be ironed out.

One large chain, for example, recently found itself convicted in court for allowing sale of prescription drugs by an unlicensed person. Evidence presented showed that the drug chain had, on more than one occasion, ignored College of Pharmacy warnings to tighten up its licensed pharmacist situation.

Expert Support

The chain might reasonably expect substantial consumer support for its position in view of the fact that an estimated 80% or more of all prescription business today demands no apparent professional skill on the part of the dispenser. The manufacturer's product is moved from the large bottle or package, re-packed in a smaller container, labeled by the pharmacist and handed across the counter.

For such routine jobs as this, the chain might well ask, why should we be forced to retain a high-salaried college graduate 10 or 16 hours per day?

The answer boils down to: faced with two little white pills, one of which might cure and the other kill, who should pore through the maze of complicated drug names to make the selection? The answer, say the pharmacist-, is obvious.

Little corner druggists, of course, cite the same logic in presenting their case for existence.

One mar. who has been in the same location for 30 years estimates that his customer interest has saved approximately 100 lives during his career.

It's his policy to engage prescription customers in conversation in an attempt to learn whether they know the proper use for the drugs ordered for them. Recently he discovered a customer who planned taking a deadly poison suppository for a throat infection. A quick telephone check with the doctor who had written the prescription showed that the M.D. had confused two similar pharmaceutical trade names.

Were it not for the corner drugstore owner's interest in his customers a tragedy might have occurred.

"But," say the druggists, "will the pharmaceutical clinics, chain stores, and drug supermarkets have the time or the interest for this type of service?"

Whatever the answer, the move is under way.

The sinister apothecary of King Arthur's day has evolved into a modern, brisk businessman with a shelf full of healing properties at his beck and call for his customers—and generous stocks of headache pills for his own use.

D. B. Crombie Purchases Mayfair, Canadian Bride

David B. Crombie, Toronto publishing executive has announced the purchase of the monthly magazine Mayfair and the semiannual Canadian Bride from Maclean-Hunter Publishing Co. Ltd. Effective October 15, Mr. Crombie will take over sole ownership of both publications under the name of Crombie Publishing Co. Ltd. The new publisher will be responsible for production of the December and subsequent issues of Mayfair and the 1956 and following issues of Canadian Bride.

Circulation was 20,000 net paid and advertising volume in 1954 exceeded $204,000.

From 1940 to 1947 Mr. Crombie was on Mayfair's advertising staff.

Born in St. Catharines, Mr. Crombie has been reporter for St. Catharines Standard, the Toronto Daily Star and the Toronto Globe. Later he directed advertising and public relations for the Royal Trust. Recently he was Canadian Advertising Director for Reader's Digest.

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FINANCIAL REPORTS By PAUL S. DEACON

A Word From The Watchdogs

"They Must Be Given More Than The Bare Facts"

Investor demands for better annual reports and more frequent interim reporting received strong support at this week's meeting of the Canadian Institute of Chartered Accountants today.

One of the main functions of the accountants is the auditing of company financial statements as "watch dogs" for shareholders. It's significant, therefore, that they gave over a full session to a panel discussion on how to improve the communication of financial information to shareholders.

In another talk at the meetings, J. H. Collins, F.C.A., registrar of the Ontario Securities Commission, made several suggestions for improving the financial information in prospectuses covering the offering of securities.

The panel included W. S. Rothwell, treasurer of Abitibi Power & Paper; G. Meredith Smith, C. S. Ross & Sons, chartered accountants; J. J. Macdonnell, Price Waterhouse & Co., chartered accountants; with Frank S. Capon, secretary-treasurer of Du Pont Co. of Canada as chairman.

What Is Needed

Here are some of Mr. Rothwell's suggestions on annual reports:

(1) Shareholders must be given more than bare facts. They should be told of problems met and overcome, reasons for decisions or action taken, something about expectations for the future. The annual report should broaden general shareholder's knowledge about his company.

(2) Go beyond legal requirements. Supplementary data can clear up picture for shareholders, many of whom are not well qualified to interpret financial statements without assistance.

(3) Keep reader interest strong through clear and concise presentation.

(4) Two-year comparisons are a must, five, eight or ten-year comparisons often desirable.

More than one of the panel members brought up the need for interim reports. Said Mr. Smith: "If a person is to be in a position to make an intelligent appreciation of a corporation, he must know how that corporation is doing during the year and not learn the results as a complete surprise two or three months after the close of the year."

He admitted there were pros and cons from a management point of view — uncertainties on such calculations as income taxes, bonus or profit-sharing totals, inventories where continuing records not kept; seasonal business swings; cost of reporting; helping competitors.

"In most cases, however, it should be possible to furnish interim income statements, at least semi-annually, including like figures of the same period of the previous year and disclosing at least net profits, income taxes and any items of an unusual nature. Management should make some comments on the results and it should be possible by the right supporting narrative to avoid the drawing of wrong conclusions. I do not believe that the interim reports need be audited."

Tax Clarity

Another factor brought up was the need to make clear the treatment of tax and depreciation provisions, and their effect on profits, particularly in view of recent changes in income tax regulations.

Although there was considerable support for making it easier for shareholders to understand reports, Mr. Macdonnell urged they do need to produce "a child's version of a financial statement." He also felt that many reports, through their glamorous presentation and many pages of well-worded phrases, often had little to do with the financial position and results.

He argued against more governmental regulation of corporate financial practices. Meticulous attention to legal detail tends to take away from the thinking processes and exercise of professional judgment on the larger problems. Government regulation is costly, and the present system works fairly well, he held.

With increasing concentration of power in the hands of professional management rather than owners, the professional auditor, as independent financial representative of the owners — the shareholders — must help make sure this power is used wisely. Otherwise more governmental control is inevitable, he suggested.

The Prospectus

Mr. Collins of the Ontario Securities Commission had some suggestions for the accountants from a government man for financial statements in prospectuses. They included:

(1) Complete disclosure; exact, readily understood terminology; no reliance on references to other parts of the prospectus or to financial statements in earlier prospectuses.

(2) Comment by the auditor on developments between the date of the financial statements and the date of the auditor's report. Often circumstances materially change the picture in this period, such as underwritings, options on stock, acquisition of new properties.

(3) Consolidated balance sheets should be prepared as at the same date for each company concerned.

(4) Sometimes a combined earnings statement is preferable to a consolidated statement. Exple: when the statement includes transactions between the parent company and a subsidiary prior to the acquisition of the subsidiary.

(5) A reasonably comprehensive statement of the examination made by the auditor must be provided.

(6) Basis of valuation of company properties should be given in as plain and full a manner as practicable.

(7) Pro forma balance sheets are unacceptable unless adequate disclosure is made of the underlying assumptions, based on firm commitments from responsible parties.

* * *

Several New Issues Expected by Dealers

Several new corporate financing deals are reported just about ready. It's understood these will include one by Thomson Co., the newspaper publishing chain. Proceeds will be used for refunding existing issues and other corporate purposes (additional publications have been added since the last financing).

Another public offering expected shortly is one by Regent Oil (formerly Trinidad Leaseholds) which is understood to include stock as well as debt issues.

Dealers indicate several others are in the works and should be coming along fairly soon.

ANNOUNCEMENT

LEE T. ROSSER

Mr. Rosser, president of Mansfield Rubber (Canada) Limited, Barrie, Ont., announces that the new plant is now producing automobile tires and is expected to be in full production in a few weeks. The new plant is considered to be one of the most modern tire producing plants on the continent. Mansfield Rubber will produce tires for large national marketers under special brand labels.

SEND FOR PROSPECTUS AND LITERATURE GIVING INFORMATION ON:

CORPORATE INVESTORS LIMITED — DIVERSIFIED — 1931

A BALANCED INVESTMENT FUND

Mackeller Securities
LIMITED

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TORONTO

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THE INVESTMENT FUNDS

Scudder Fund Value Climbs $3.77 Per Share Since May

Net asset value per share of Scudder Fund of Canada at Aug. 31, 1955, was $41.18 (U.S.), 10.1% higher than $37.41 at May 31, 1955.

At the special general meeting held in Toronto on July 28, 1955, shareholders approved an increase in authorized common shares from 1,000,000 to 1,250,000. Shareholders also approved change in investment policy of Fund to give it freedom to invest up to 33 1/3% value of its total assets in securities of issuers other than companies which are organized in Canada or the United States and which reflect development of Canadian industries and resources.

In August 250,000 shares were sold at net asset value to an underwriting group for a total of $10,292,500. Management is proceeding with investment of this new capital.

CHANGES IN HOLDINGS OF SCUDDER FUND OF CANADA

Bonds and Debentures	Holdings at Aug. 31 1955	Change since May 31 1955
Can. treas. bills 55	3,000,000	3,000,000
Do. 56	1,500,000	−1,500,000
Can. 2¼% 55		−500,000
Can. 2½% 56	2,000,000	2,000,000
Can. 3% 56-59	350,000	350,000
Can. 3% 59-62	225,000	400,000
C.P.R. conv 4% 69	175,000	175,000
N.west Nitro. Chem.	300,000	300,000
Common Stocks	No. of Shares	
Ford of Can. 'A'	5,325	325
Ont. Steel Products	6,000	1,000
Cdn. Bk. of Comm.	8,000	5,000
Cdn. Indust. '34		800
†Imp. Chem. Ind.	30,000	30,000
Asbestos Corp.	1,000	2,100
Building Products	8,100	100
Sher.-Wms. of Can.		−200
Cdn. Vickers	6,600	25
†Cassiar Asbestos	55,200	−14,800
*Philips Incan Lamp	900	200
Can. Packers 'A'	11,380	−6,380
Geo. Weston		−1,000
John Labatt		−9,000
Sicks Breweries		−800
Do. V.T.C.		−5,000
†Sogemines Ltd.	17,000	−17,000
Dom. Stores	40,000	−7,000
Do. rts	40,000	40,000
Henry Morgan		−4,000
Aluminium Ltd.	13,000	−5,200
†Bicroft Uranium	100,000	−100,000
*Cero de Pasco	20,000	−1,000
Falconbridge Nickel	45,000	−5,000
Faraday Uranium	100,000	−100,000
Int. Nickel	22,000	−2,000
Kerr-Addison Gold	25,250	−2,250
*Union Miniere	2,000	−500
Bathurst P & P B	10	−9,990
*Bowater Paper	7,500	−1,500
Price Bros.	8,000	−1,000
B.A. Oil	28,800	−2,800
Calgary & Edton	15,000	−5,000
†Dome Expl.	10,000	3,400
†Gt. Plains Develop.	15,000	6,200
Int. Pete	18,100	−8,100
*Pacific Pete	8,200	−8,200
†Peace River Gas	30,000	−30,000
*Royal Dutch Pete	22,000	−7,000
Royalite Oil	9,200	−2,200
Calgary Power	10,000	−10,000
Gatineau Power	9,000	−1,000
Quebec Tele.	18,500	11,100
Union Gas of Can.	4,675	−1,425
Goodyear Tire		−2,000
*Courtaulds Ltd.	15,000	−15,000

*Not incorporated in Canada
†Non-income-producing securities

Chemical Firm Will Manufacture New Detergent

Chemical Developments of Canada Ltd. has completed installation of equipment to produce a new detergent grade of sodium carboxymethylcellulose.

The new process is patterned after one covered by a Canadian patent to which C.D.C. has an exclusive license. The product has wide application as a soil suspending agent in detergent compositions and will be sold under name of Carboxel D-335.

Earlier this year C.D.C. took over the sodium carboxymethylcellulose plant formerly operated by Standard Chemical Co.

RCA Victor Grows With Ottawa Office

MONTREAL (Staff) — Continuing its national expansion, RCA Victor Co. has opened a new district office in Ottawa.

President F. R. Deakins said it will serve dealers in 22 counties from Abitibi to Kingston, Ont. The area was previously served by Toronto and Montreal.

The one-story building, which covers 15,000 sq. ft. replaces a small office. It includes a sales office and showroom to display radios, TV sets, ranges, refrigerators, and a complete line of RCA and allied household appliances. There is also a phonograph record department, warehouse, and service centre with six pick-up trucks.

In the last two years, RCA Victor has opened similarly expanded district sales offices, service centres and warehouses in Vancouver, Winnipeg, Toronto, Montreal and Halifax. During the same period it has also established a television and radio set factory at Prescott, a record factory at Smiths Falls and a television and radio components plant at Renfrew, all in Ontario.

UNITED DOMINIONS TRUST LIMITED GRATIFYING PROGRESS

The thirty-third annual general meeting of United Dominions Trust Limited was held on August 23 at the Registered Office of the Company, United Dominions House, Eastcheap, London, England.

Mr. J. Gibson Jarvie (the Chairman), who presided, in the course of his speech, said:—

Your Board are privileged, for the seventh successive post-war year, to report to you a record in volume of business handled and in profits earned.

For the company, it has been a year of adventure and progress. We increased our capital by an issue of "rights"; we then doubled the ordinary capital by capitalising Share Premium Reserves—Revenue Reserves remaining intact — and making a bonus issue of stock and, for good measure, we made a bonus issue of Second Preference Stock.

Throughout the year, the expansion and spread of business has been both notable and gratifying. The young Dominion companies so recently established in Australia and Canada have already succeeded in justifying their creation. The South Africa company continues to grow in size and in importance. The New Zealand company has practically doubled its business in the year under review. The Rhodesia company has made splendid progress.

Further, during the year we have purchased two additional companies, one in Northern Ireland and one in the Irish Republic. The purchase of these companies called for a payment for goodwill which has already been written off. Seven new branches have been opened in the United Kingdom.

The Consolidated Balance Sheet totals have risen from £34,361,575 to £58,241,773 and profits earned have gone up from £1,060,122 to £1,780,288. Taxation, however, has increased from £561,482 to no less a figure than £953,358. We have added £385,800 to General Reserves; Balance of Profit and Loss has gone from £359,493 to £423,778, whilst Credit Insurance Funds have risen from £429,770 to £568,375 and Rebate of Interest and Deferred Income have jumped from £1,263,439 to £2,863,626. Altogether we can justifiably claim not only another record year but one based on sound and logical development.

Hire Purchase is a part of the modern economic set-up all over the world and, because it is essential, it has come to stay.

The Report and Accounts were adopted.

To the Shareholders of

CANADIAN CAR & FOUNDRY COMPANY, LIMITED

Over 85% of the Class "A" Shares and 75% of the Ordinary Shares of Canadian Car & Foundry Company, Limited have been deposited in accordance with the terms of the offer made by A. V. Roe Canada Limited under date of June 8th, 1955 to purchase such shares at $30 per share.

We recommend that shareholders who have not yet accepted the offer by depositing their shares make arrangements to do so as soon as possible, as payment of the purchase price of $30 per share is conditional upon acceptance by the holders of not less than 90% of each class of shares within 4 months after the making of the offer.

Deposit Receipts issued in respect of the Class "A" and Ordinary Shares are listed on both the Montreal and Toronto Stock Exchanges, and provide holders of Receipts with the same liquidity as if they held the shares.

The services of our organization are available to arrange for the deposit of the shares or such deposit may be made directly with the Montreal Trust Company or through your own investment dealer or broker.

There will be no commission or other charge payable by shareholders for services of dealers or brokers in connection with the deposit of shares, commission in this respect being payable by A. V. Roe Canada Limited conditional upon its taking up the shares under the offer.

Additional copies of the offer and letter of transmittal may be obtained from us.

Wood, Gundy & Company
Limited

Toronto Montreal Winnipeg Vancouver Halifax
Saint John Quebec London, Ont. Hamilton Ottawa
Kitchener Regina Edmonton Calgary Victoria
London, Eng. Chicago New York

Bank Staff Changes

Bank of Commerce:

C. C. GAULD, manager, Little Britain, Ont., to be manager Chesley, Ont.

R. J. HARRISON, to be accountant, Atwood, Ont.

J. D. HAZELTON, to be an assistant inspector, Regional Office, Vancouver, B.C.

D. B. LORIMER, an audit officer, Regional Office, Winnipeg, Man., to be manager, Weyburn, Sask.

J. H. MORGAN, assistant accountant, Queen & Bathurst, Toronto, Ont., to be an assistant accountant, Yonge & College, Toronto, Ont.

D. G. MORTON, assistant accountant, Hamilton, Ont., to be manager, King & Sanford Hamilton, Ont.

R. C. McELWAIN, manager, Bloor & Church, Toronto, Ont., to be an assistant manager, Ottawa, Ont.

W. L. MacRAE, to be an assistant accountant, Queen & Bathurst, Toronto, Ont.

W. B. PATTINSON, assistant accountant, Regina, Sask., to be an assistant inspector, Regional Office, Toronto, Ont.

A. T. PEARSON, to be accountant, Personal Loan Department, Vancouver, B.C.

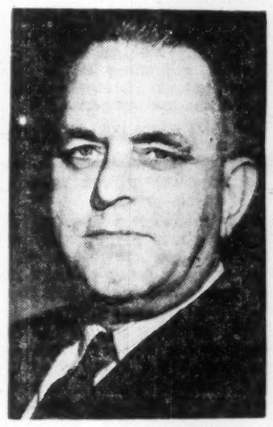
C. W. PETERS, to be an assistant inspector, Regional Office, Halifax, N.S.

F. J. PETRIE, assistant manager, Brockville, Ont., to be manager, Brockville, Ont.

J. L. R. RICARD, accountant, Quebec, Que., to be manager of the newly opened branch at Masson & Iberville, Montreal, Que.

ANNOUNCEMENT

THE EASTERN TRUST COMPANY APPOINTMENTS



H. C. OXLEY

C. B. HAVEY

J. E. FEENER

A. S. Fraser, president and managing director of The Eastern Trust Company, has announced the following appointments at Head Office and Halifax Branch—

H. C. Oxley to be an assistant general manager. Mr. Oxley has had over 20 years' service with the Company and, since 1950, has been manager of the Halifax Branch.

C. B. Havey to be manager of the Halifax Branch, succeeding Mr. Oxley. Mr. Havey has been with the company since 1947 and for the past several years has been chief trust officer at Halifax.

J. E. Feener to be chief mortgage officer. Mr. Feener has been assistant mortgage officer since joining the company in 1951 and in his new position will supervise the mortgage investments of the company at all of its branches.

NEW ISSUE

$10,000,000

Province of Saskatchewan

3½% Sinking Fund Debentures

To be dated October 1, 1955 **To mature October 1, 1975**

Principal and half yearly interest (October 1st and April 1st) payable in lawful money of Canada at the designated bank in the Cities of Toronto, Montreal, Saint John, N.B., Winnipeg, Regina, Edmonton or Vancouver, at the holder's option. The Debentures will be redeemable before maturity at the option of the Province, as a whole but not in part, on any interest payment date on or or after October 1, 1973 on 30 days' prior notice at the principal amount thereof and accrued interest. Coupon Debentures in denominations of $100,000, $10,000, $1,000 and $500 with provision for registration as to principal.

The Province will establish a sinking fund to be applicable for the redemption of the Debentures and for such purpose will provide for the payment of the sum of $300,000, in each year during the currency of the Debentures out of the consolidated fund.

LEGAL OPINION: Messrs. Daly, Thistle, Judson & Harvey

In the opinion of Counsel these Debentures will be direct obligations of the Province of Saskatchewan, and as to both principal and interest will be chargeable upon and payable out of the Consolidated Fund of the Province.

Price: 99.29 and accrued interest to yield about 3.55%

We, as principal, offer these Debentures, if, as and when issued and accepted by us, and subject to the approval of Counsel.

Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice.

It is expected that Debentures in Interim Form will be ready for delivery on or about October 3, 1955.

Nesbitt, Thomson and Company, Limited — **Gairdner & Company Limited**
Cochran, Murray & Co. Limited — **Greenshields & Co Inc**
Equitable Securities Canada Limited — **W. C. Pitfield & Company Limited**

733A

ANNOUNCEMENT

A. E. HETHERINGTON

The President of The Brockville Trust & Savings Company, Mr. J. Gill Gardner, wishes to announce that at a Meeting of the Board of Directors held recently Mr. A. E. Hetherington was appointed Managing Director to succeed the late Mr. E. J. Smith. Mr. Hetherington has been Secretary and Trust Officer of the Company since 1948.

City of Guelph Issue Sold

An issue of $722,679 City of Guelph 3¾% and 4% debentures has been sold at $101.76 by Equitable Securities Canada Ltd.

The issue, dated June 30, 1955, consists of $629,396 3¾% debentures maturing 1956-75, and $93,283 maturing 1956-65.

RALPH K. FARRIS
President

J. CHESTER GREY
Vice-President & General Manager

C. SPENCER CLARK
Director

City will spend $250,000 for 60-cycle hydro-electric conversion, $232,500 for construction of a public school, $146,896 for construction of watermains, and $93,283 for local improvements.

This Firm Won North Ont. Gas Mart

How Natural Gas Firm Signed Up 16 Communities

By W. L. DACK

While Canada's ambitious $350 million trans-Canada pipeline project has been making headline news, a little known gas distribution company has carried off a virtual sweep of the big northern Ontario gas market.

In a fast-stepping sales campaign Northern Ontario Natural Gas Co., with a Canadian president and strong U. S. backing, has signed up 16 northern Ontario municipalities to 20-year gas contracts. At least half a dozen more municipal contracts are expected to fall into the Northern fold.

The only real struggle now facing the new gas distribution company is that for the twin Lakehead cities of Port Arthur and Fort William — and independent utility experts look for Northern to walk off with these contracts as well.

Northern didn't throw its hat into the gas franchise ring until March of last year. But since that time it has signed up more gas franchises than the total for the three major gas distribution companies now competing in other parts of Ontario.

Northern looked on its particular market area as the stretch from Barrie — 60 miles north of Toronto — up highways 11 and 17 as far as the Manitoba border. Although not heavily populated this takes in a good slice of the potential mineral and forest wealth in Canada. It also comprises one of the highest competitive fuel price areas in the country. Close to a million tons of U. S. coal is imported into this territory every year.

Northern's primary aim was to sign up a whole chain of municipalities to gas contracts and by so doing be able to offer better prices and service than could a number of individual utilities operating independently.

It all started when some Northern Ontario people anxious for natural gas approached R. K. Farris, president of Charter Oil and a director of Cascade Natural Gas Corp., Wash. (Cascade is engaged in a somewhat similar utility project in the northwestern U. S. states where dozens of small utilities are being converted to natural gas.) Chester Grey, long experienced gas utility man, was appointed vice-president and general manager of the new company and dispatched to Northern Ontario to survey and organize the northern area.

Initial Survey

Northern first did a preliminary engineering and market survey of the area. But in recommending a route, it broke away from the then proposed trans-Canada route paralleling the CPR line as it swung north around Lake Superior. Northern recognized much better market potentials by swinging the line further north through the heart of the mining territory and serving the Kapuskasing-to-North Bay area directly, rather than by proposed laterals.

In either case additional laterals would be required to serve the Timmins-South Porcupine and Noranda-Rouyn areas. Northern promised to build these laterals if economically feasible. The U. S. engineering firm of Ford, Bacon & Davis was then retained to make a more thorough engineering and market study.

Northern estimates this area will have a market potential of 50 million mcf by the fifth year of pipeline operation. It also estimates that cost of utility systems to serve the largest possible number of customers in the area would absorb an over-all capital outlay of around $52 millions. Laterals to feed the various off-line markets would cost another $10.5 millions. Because of this Northern will have to come to the public financing market for substantial sums over the next couple of years.

Next, Northern campaigned vigorously for the change in the Trans-Canada gas pipeline route through northern Ontario. First Trans-Canada officials and — this summer — Ottawa authorities agreed to pipeline change. This put Northern in a very strong position with most of the northern Ontario municipalities along the new route.

On March 9 when various competing companies for franchises met in town hall at Kirkland Lake the municipalities voted almost 100% in favor of Northern. Then in July at another Kirkland Lake meeting the Ontario Fuel Board approved Northern Ontario's franchise agreements with the following communities:

North Bay, Haileybury, Teck Twp., Englehart, Matheson, Kendrey Improvement District, New Liskeard, Cochrane, Whitney Township, Timmins, Hearst, Playfair Twp., Kapuskasing, Black River Twp., Cobalt, and Tisdale Twp.

The only remaining approval necessary before Northern finalizes financing and construction plans is granting of Letters of Convenience & Necessity by the Ontario Fuel Board. At that time the Fuel Board will request all engineering and market information and financing details.

The following communities have now approved second reading of a bylaw to give Northern their gas distribution contracts: Geraldton, Nipigon, Dryden, and Kenora.

Eyeing Sudbury

Northern also has its eye on the Sudbury market where International Nickel — now conducting important tests on gas use in its various operations—could become a huge industrial consumer.

Northern's whole program is entirely dependent on ability of Trans-Canada — along with federal and provincial aid — to clear up its major financing problem. But Northern officials are optimistic about the most recent proposal to build the difficult Ontario bridge by a Cree company.

Although Northern is still a private firm backed mainly by U. S. interests arrangements are already under way to make it a public company with finances to be arranged by a strong syndicate of investment houses in both U. S. and Canada. In Canada, Cliff Deans of Bankers Bond, a Toronto investment house, will be closely associated with Canadian syndicate arrangements.

Here's a brief summary of the business connections of Northern's Ontario board of directors.

R. K. Farris, Vancouver, President. Mr. Farris is a west coast oilman and president of Charter Oil Co. which holds wide interests in producing, partly developed and undeveloped properties in B. C., Alta. and Sask. He is also a director of Cascade Natural Gas Corp., Wash.

Chester Grey, Toronto, vice-pres. and general manager, has had extensive experience in gas utility business both in operations and engineering fields. Was 17 years with Public Service Electric & Gas Co. in U. S. before coming to this country.

C. Spencer Clark, Seattle, Wash., and Calgary, Alta., director, has built up wide experience in gas utility business in northwest U. S. He is chairman of Board of Cascade Natural Gas Corp., Wash., a company with wide utility interests in states of Washington, Oregon and Idaho. All these companies are now preparing to convert to natural gas. Clark also has business interests in Calgary.

Leslie T. Fournier, New York City, director, is vice-pres. and treasurer of Panhandle Eastern Pipe Line Co., one of the largest gas transmission companies in U. S. He is one of the foremost authorities on utility financing in North America. Fournier is a native of Sturgeon Falls, Ont.

Blancke Noyes, New York, director. A partner of Hemphill, Noyes & Co., a large U. S. investment banking firm.

Leonard Dickson, New York, a director. A partner of Bear Stearns & Co., another U. S. investment banking firm.

Gas Problem National One, Says Gas Chief

"People of Eastern Canada have no sentimental attachment to natural gas. They do not generally accept natural gas as the modern fuel. They will only buy it if the price is competitive in their minds with other fuels."

This was one of the basic points made by P. W. Geldard, president of the Canadian Gas Association, to the Independent Gas Association of America meeting at Jasper, Alta., this week.

"Large volume of sales and use of natural gas in Ontario and Quebec depend upon education of the householder, industry and government, and on competitive price, adequate supply and a high standard of customer service," Geldard stated.

There has arisen in the minds of the public and government officials a psychosis of inadequate supply over the last 25 years, leading to a government policy of conservation and curtailment. When Ontario obtains satisfactory quantities of natural gas, this psychosis must be changed if large volume sales are to be achieved, Geldard said.

Canada is only at the beginning of great industrial expansion. It is urgent that new sources of energy be made available. In Ontario utilization of the last reserves of water power for electric development is in sight and authorities are turning more and more to steam-driven generating plants.

Natural gas in Canada is a national need. Its best utilization is a national problem and the solution must be a national solution, Mr. Geldard claimed.

"The gas industry must take the lead in finding that solution. Basically we have a terrific educational and selling program to carry out. The issue is far too important to be satisfied by regional solutions," Mr. Geldard states.

TSE Trading Sets 8-Month Record

Toronto Stock Exchange broke two records in the first eight months of 1955. Trading volume rose to over 1.1 billion shares and trading values were over $1.9 billions.

Trading volume of 1,154,839,000 shares and trading values of $1,907,300,839 were both higher than corresponding figures for any previous full year.

Trading volume for August was 116,651,000 shares, slightly below figures for two previous months, but more than twice that of same month last year. Trading values of $248,025,952 shares were fourth highest this year.

Of the 1,061 listed issues, 986 traded during August, of which 339 advanced and 535 declined. 8-9-12—Ogden

ANNOUNCEMENT

NEW WORKS PLANNING MANAGER AT WESTINGHOUSE

T. H. BLANER

H. H. Rogge, president, Canadian Westinghouse Company Ltd., has announced the appointment of T. H. Blaner to the newly-created post of Manager of Works Planning.

A graduate of Westminster College, New Wilmington, Pa., Mr. Blaner served in various production, technical and purchasing capacities from 1935 until 1950 when he became assistant to the works manager at the Westinghouse small motors division at Lima, Ohio. He was appointed manager of manufacturing for that division earlier this year.

In his new Canadian Westinghouse appointment, Mr. Blaner will coordinate the company's extensive cost and product improvement program. In addition, his responsibilities will include research and development laboratory operations and those of the plant engineering department.

U.S. Parents Shift Control Of Canadian Westinghouse

Westinghouse Electric Corp., Pittsburgh, has bought 187,480 shares of Canadian Westinghouse Co. for $54 a share from Westinghouse Air Brake Co., also of Pittsburgh. The stock has been trading recently around $59 a share.

The transaction raises to 70% the interest Westinghouse Electric holds in the Canadian company, with Westinghouse Air Brake retaining approximately 10%. The balance of the stock is held widely, mainly in Canada.

The U. S. companies explained that for many years each company had held approximately two fifths of the Canadian firm, which manufactures and sells products of both companies. In recent years, the electrical manufacturing portion of the Canadian Westinghouse business had grown faster than air brake equipment sales, because of the very rapid increase in use of electrical power in this country.

"The transfer of stock to the Westinghouse Electric Corp. therefore represents an adjustment of holdings more nearly proportional to the current ratio of electrical to air brake products manufactured and sold by Canadian Westinghouse.

Herbert H. Rogge, chairman and president of Canadian Westinghouse, said he expects the Canadian firm will benefit from the closer relationship with Westinghouse Electric. Both U. S. firms will continue to make available manufacturing experience, engineering and scientific research. The change will bring no alteration of operations or organizations in the Canadian firm, he added.

Bowaters Orders Newsprint Ship

MONTREAL (Staff) — A third large newsprint freighter to operate from Corner Brook, Nfld. is reported this week in London, Eng., to have been ordered by Bowater Paper Corp.

It is a 15-knot steam turbine ship of 8,400 tons deadweight, ordered through a subsidiary, the Bowater Steamship Co.

It will normally sail between the Newfoundland operation to such ports as New York, Philadelphia and Norfolk, Va., delivering newsprint. It will carry commodities for use by communities on Newfoundland's west coast on the return trip.

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Private wires to Montreal and New York
Osler Building
11 Jordan Street TORONTO EMpire 6-8871

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THE DONKEY AND THE THISTLES

He was hungry all right, but not for any of the food he was packing out to the field hands for lunch. That didn't tempt him a bit.

Then he spotted some delightful looking thistles. No donkey could pass them up, of course, so he sat down and munched happily away. Which was the way Aesop said that one man's meat is, indeed, another man's poison.

And in this business of investing, that's a point well taken.

- Some people should stick to stocks that are comparatively safe — stocks that don't fluctuate too widely in price and have an unbroken history of dividend payments.
- Others can afford greater risk for the sake of a greater return on their money.
- Some people should select stocks on the basis of their prospects for price appreciation over the years ahead regardless of present yield.
- And of course, there are others who, quite frankly, shouldn't buy stocks at all, who should take care of a home, insurance, and a fund for emergencies, first.

What should you do in your own situation? Which stocks should you buy?

We'll be happy to prepare the most suitable program we can to fit your funds, your objectives.

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Lower St. Lawrence Will Buy Matapedia

MONTREAL (Staff) — Lower St. Lawrence Power Co. will purchase the facilities of the Matapedia County Electricity Co-operative. Price was not revealed.

A meeting of members of the Co-operative reached the decision. The Co-operative was originally established by residents of the County of Matapedia.

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ANNOUNCEMENT

Peacock Branch Manager

G. R. HAMMELL D. S. McCANN

Recently announced by Peacock Brothers Limited is the appointment of G. R. Hammell as manager of the company's Sudbury office and D. S. McCann as manager of the Toronto office. Mr. Hammell has been with the company since 1938 and, prior to taking over Sudbury office, was assistant manager in Toronto. Mr. McCann joined the company in 1947 after graduating in engineering from Queen's University. Prior to his transfer to Toronto, he was manager of the Sudbury office.

THE EUREKA WILLIAMS COMPANY

The Eureka Williams Company wishes to announce that the Canadian manufacturing and sales rights for all Williams Oil-O-Matic, Gas-O-Matic and Air-O-Matic products have been acquired by Morch Manufacturing Limited of Belleville, Ontario.

Morch Manufacturing Limited is now ready to ship oil burners and furnaces and expects to manufacture Gas-O-Matic and Air-O-Matic products in the near future.

Principals of both companies believe that this new arrangement will make Williams products and service more readily available to the Canadian market.

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MORCH MANUFACTURING LIMITED

Underwriters and Distributors of Government, Municipal and Corporation Securities

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330 BAY STREET TORONTO — *Offices from coast to coast.*

British Neglect Canada?

British firms are sharply criticized by the London Times for neglecting Canada. They prefer to sell in the easy home market, says The Times and if they must ship across the Atlantic then they prefer the United States. There is an impression that "many do not show sufficient interest" in the Canadian market, "do not advertise enough and do not really seem to care whether they sell."

Coming from such a source, that is a serious charge. But declining sales of British goods in Canada and particularly consumer goods tend to confirm it. Why British exporters should prefer to sell to the United States, however, is difficult to understand. It should be easier to sell in this country and for several quite obvious reasons.

Canadian tariff barriers, as a rule, are no higher than those of the United States and for most lines are lower. That is one advantage, but a much more important one is the familiarity of Canadians with British goods. Scores of thousands of Canadian consumers were born and raised in Britain. Millions are but a generation or two removed from that country. For years we have been buying goods from the United Kingdom whereas in much of the United States the average consumer has not.

The Canadian has no prejudice at all against British goods. He knows them and he generally likes them. But he is not going to beg or wait and he is not going to buy them if they are unsuitable for our market or climate or if he considers the price too high. In other words, British goods, like those of any other country including Canada, must be sold. They just can't be dumped at Halifax, Montreal, or Vancouver and move into consumption themselves.

A Dangerous Assumption

The Winnipeg Free Press takes great pains to reassure its readers that federal tax proposals to be presented at the October conference are nothing to worry about. Taxes, the paper says, may rise; but not because of Plan C. Existing taxes may be split into two parts, federal and provincial; but that would not be double taxation.

This may soothe the readers of the Free Press, but it fails to reassure us, and it ignores completely the third objection to the tax proposals. Under Plan C, the nation — not just the taxpayer — stands to lose, because the central government abdicates the power it has under the existing tax rental agreements; power to use all the elements of financial policy to influence the economic health of the country. Taxation can be used as a weapon against depression and inflation. It's a useless weapon if several taxing authorities are acting at cross purposes.

We aren't impressed by the argument of Maurice Lamontagne that this problem wouldn't arise because "simple political wisdom and the pressure of public opinion will compel (the provinces) to reflect very seriously" before raising direct taxes in time of depression. Simple political wisdom is one of the rarest of all qualities. We see no reason to suppose it can be relied on any more in the future than in the past to keep the Dominion and the Provinces working in harmony. Then, "simple political wisdom" might, in some circumstances, lead a provincial government to commit economic folly in the hope of political gain.

Now, it may be that the central government is going to lose its control of direct taxation anyway; even under existing conditions, Premier Duplessis could obviously go even farther than he has in offsetting Ottawa's tax policies. It may be that the other wealthy provinces will also have itchy fingers by 1957. A move away from centralized tax policy at the insistence of the provinces would not be surprising; it is astonishing to see the movement encouraged by the Government at Ottawa.

It's possible that the political problem will have to be solved, in the end, at the expense of economic sanity. It's essential, though, that in such an event, Canadians should know the nature of the decision. Ottawa, and its friends, should not issue bland assurances that the baby is still in the bath.

Everybody's Business

"The union, or at least its spokesman, refuses to admit that the dispute is the business of anyone but that of the two parties involved."

That comment comes from the majority report of the conciliation board that attempted to negotiate between General Motors and the United Auto Workers. But it could be made, unfortunately, of dozens of other industrial disputes that from time to time have shaken or threatened to shake our economy.

Long before this, both labor and management should have learned that their disputes do concern a lot of other people. Life would be smoother and happier if it were not so. But in our complex economy it is just not possible to have a strike or even a threat of strike in any industry without involving a lot of outsiders.

There are the strikers' wives and families. Surely they have some interest in the matter. There are other industries with their labor forces which supply raw materials to or buy finished goods from the strike-bound plant. And there are the consumers who in the end must pay for every strike either in higher prices or delay in deliveries or both.

Strikes concern a lot of people who are never seen and too seldom represented around the bargaining table.

The Short Word is Out

Canadian postmasters have been notified that the phrase "dead letter office" must be expunged from their official vocabulary. The department in question is now the "undeliverable letter office" where, no doubt, there is no death.

The Postmaster-General was probably prompted by a desire to be accurate and reassuring when he decided upon this change. But we wonder if he is justified in discarding such a well-established and satisfactory phrase. We can foresee many difficulties.

What, for instance, of the orator who wants to warn us that Magna Carta has become a dead letter? How much less telling, if he must substitute "undeliverable" for "dead." And is the new phrase really any more accurate than the old? What is so dead as an undeliverable letter?

Official terminology is being overtaken by the polysyllable. There are few short words left for the civil servant to use. This might be a good place to make a stand in defense of the brief, vivid phrase.

Mere Bigness not the Answer

Back before the First World War Russia was regarded as a major competitor of Canada in world grain markets. We don't need to worry much about that today, according to a group of American farm experts who toured the USSR this past summer.

"Soviet farming," says one of these U.S. visitors, "suffers from the curse of bigness. Their fields are too big. Their farm labor force is too big. A lot of their machinery is too big."

Bigness in urban industry often means more efficiency. In farming it can mean more waste. The reason is simple.

In a factory, operations run steadily, perhaps 24 hours a day and at least five days every week. Under such conditions the bigger the equipment and labor force usually the cheaper the production.

In grain farming, on the other hand, machines and men may work at top speed for only a few weeks of the year while the crop is being sown or harvested. The rest of the time much of the equipment is idle eating into the profits made during the short period of peak operation.

During and just after the First World War North American farmers too, had the idea that bigness was the only answer to cheaper production. Those were the days of the mammoth binders, gang plows, huge threshing outfits and harvesters excursions. We got more grain production but it was not cheap production. An enormous amount of manpower was still required and the giant machines were costly to operate, costly to maintain and when they broke down everything stopped but the overhead.

We have learned since then. We have learned that bigness and mechanization are not the same thing at all. Two or three self-propelled, one-man-operated combines, for instance, will do the work faster and much more efficiently than the monsters of 35 years ago and save an enormous amount of manpower as well. And the same is true with other modern farm machinery.

Catnip With a Kick

Tommy the Tipsy Tabby is a fictional feline whose science-inspired penchant for strong drink forms the basis of an object lesson in alcohol research that is well worth studying. Once upon a time he was merely an ordinary puss . . . coping with the day-to-day frustrations and accomplishments that are the lot of cats and humans both. And then, one day, he got a job offer that was too good to turn down.

Dr. Jules Masserman, professor of neurology and psychiatry at Chicago's Northwestern University, hired Tommy to live a life of luxury in return for allowing scientists watch him learning some tricks.

With no trouble at all, reports the Alcoholism Research Foundation of Ontario, Tommy learned how to open a food box and help himself to assorted cat goodies. He learned how to step on a button to open his food box and he learned how to develop a taste for strong drink.

Under judicious scientific prodding Tommy became a drunk: a shivering hulk when his "prop" was removed and a cavorting, fearless go-getter when it was supplied.

Converting a respectable tabby into a drunk was step one in the research project. Reforming him was step two.

Tommy learned, as humans who become alcohol addicts can learn, that he can get along better by depending upon his own resources rather than buying them out of a bottle.

The moral that the Alcoholism Research Foundation of Ontario is driving home is: alcohol addiction is a poor way to solve business tensions. So—never feed your cat whisky unless you know a psychiatrist who is available to rehabilitate him.

Weed Them Out Earlier

To an outsider at least, a suggestion made by retiring President J. Grant Glassco at the annual meeting of the Canadian Institute of Chartered Accountants in Toronto this week looks like common sense.

By more intensive training in the earlier stages, Mr. Glassco would weed out unsuitable students quickly so that the "final examination could be successfully negotiated at the first attempt by those who qualify to write it."

At present over half of those trying the final fail in their first attempt. While this may be evidence of the high qualification required, as Mr. Glassco points out, "it also has a bad effect on recruitment for chartered accountants and it represents a serious waste."

That is so.

It would certainly be much more economic and in the end fairer to the student, to do the weeding earlier. In that way there would be far less waste of time and effort in training. We should also get fully qualified accountants sooner and those that have no hope of qualifying would learn that fact quickly and could turn to something else.

Mr. Bracken Takes Second Look

The report of the Bracken liquor enquiry commission, transmitted to the Government of Manitoba early this month, merits praise at least on several counts.

It attempts to face the facts about liquor consumption and about adult human behavior. It doesn't pretend that men and women can be prevented from drinking if they want to drink. It doesn't pretend that drinking breeds no social problems and calls for no community action. It brings together three elements: a law that conforms with the actual practice of liquor consumption in Manitoba; a strong proposal for rigid enforcement of the controls that are designed to prevent harmful excesses; and a plan for provincial action in the field of education and rehabilitation.

The Bracken report is the product of second thought. The chairman of the commission is the very man who was premier of Manitoba when the present restrictive liquor laws were adopted. The members of the committee (a farmer, a housewife, a doctor and a lawyer) leaned toward the dry side on the liquor issue. On all major points, the commissioners agreed. They have arrived, after long study, at the view that Manitoba needs a broader liquor law and they have proposed legislation that is broad without being lax.

Napier Moore's Scratch Pad

THIS COLUMN is written under stress of physical handicaps. We have a crick in the neck, temporary deafness in both ears, and our legs are so stiff that we can hardly walk.

We have just got back from the Royal Aircraft Establishment at Farnborough; from the flying display and exhibition of the Society of British Aircraft Constructors.

The crick in the neck is the result of two and a half hours of watching various types of planes go by us at incredible speeds, shoot up to fantastic heights and perform rolls, falling leaves and goodness knows what.

The deafness was caused by the closeness of the press enclosure to the beginning of the runway from which the jet-propelled aircraft took off. The sound of jet engines being unleashed is earsplitting. One correspondent sitting near us attempted to solve his problem by taking the caps of two fountain pens and sticking them in his ears. Another stuck a stick of green sealing wax in one ear. We didn't happen to have either a fountain pen or a stick of sealing wax with us.

The trouble with our legs was not brought about by the amount of walking we did before lunch. Being a conscientious reporter, we inspected every one of the aircraft which lined both sides of what is known as the Static Aircraft Park, a runway which, it seemed to us, extended about the distance from Toronto to Oshawa. During this tour, it being guests' day, we heard just about every language in the world except Russian. And saw more foreign uniforms than we have seen before. There were oodles of diplomats, too. But it wasn't the inspection. What paralyzed our lower limbs was the working of the clutch and brake pedals of our wee car in agonizing attempts to wriggle out of the parking ground after the display was over. It took 45 minutes of manoeuvring and waiting to get through the gates. A month or two ago we wrote ecstatically about the manner in which automobile traffic is handled at big events in Britain. This was the worst jumble we have been in in all our life.

* * *

SOME WELL-VERSED aviation expert will no doubt be writing about Farnborough for The Post, and we have no desire to trespass in a technical field. We are more of the impressionist type. To us, the most spectacular bit of flying in the display was that of Jan Zurakowski in Avro's Canadian-designed Canadian built CF-100 Mark 4. We lost our breath the first time we saw Zurakowski do his acrobatics with this heavy jet military aircraft — the day of the opening of the new A.V. Roe plant at Malton. And we lost it again today. True, a Gloster Javelin went up and, to the amazement of the announcer, duplicated the feats, but — well, maybe we were slightly prejudiced. Incidentally, the announcer had a spot of trouble with Zurakowski's name. He said he had asked the Polish-Canadian how it should be pronounced and was told: "The closest an Englishman can get to it is to say 'Double Whisky'."

BIGGEST HIT of the show (and mind you, English Electric's very supersonic and very hush-hush P1 flashed across the course) was a tiny, brand-new fighter designed and built by a new company — Folland's Gnat. The Gnat looked like a gnat. But we doubt that insect can, like its namesake, climb to 40,000 feet in three minutes flat.

* * *

A FRIEND OF OURS who is an estate agent dropped in to see us the other evening. He looked a trifle haggard, so we applied restoratives and he told us of his trouble.

Several months ago he was entrusted with the sale of a country mansion. A unit of the Ministry of Supply expressed interest and sent down an inspector who found the property eminently suitable. Recommendations were made to the "appropriate authority." Weeks went by. Then the Ministry of Supply sent down an inspector. He reported favorably. The Ministry said the matter would now proceed speedily. More weeks passed. The Ministry of Works stepped in and asked if it could make a survey. The surveyors came and went. Then the Treasury made its entrance. The District Valuer had long sessions with the agent. He reported. The Treasury sent down an inspector.

The summer rolled along. Then consternation. Another party became interested in the property; wanted to buy it. The agent communicated that fact to the appropriate authority. A few days later, the volcano erupted. The unit of the Ministry of Supply, the Ministry of Works, the District Valuer, the Treasury, all went into action. The Ministry of Works asked that it be allowed to make a final survey, after which, within three days, all would be well, subject to contract and "loose ends."

On the third day, the Ministry of Supply phoned to make an appointment for another inspector. He represented the YMCA. The YMCA, it appeared, was interested in catering.

That was the night our agent friend came to see us. As we said, he looked a bit shaken.

Ultimately it will happen. Another Stately Home of England will house a Government Department. And the long driveway will be worn through by cars bearing other inspectors.

Stop Me If . . .

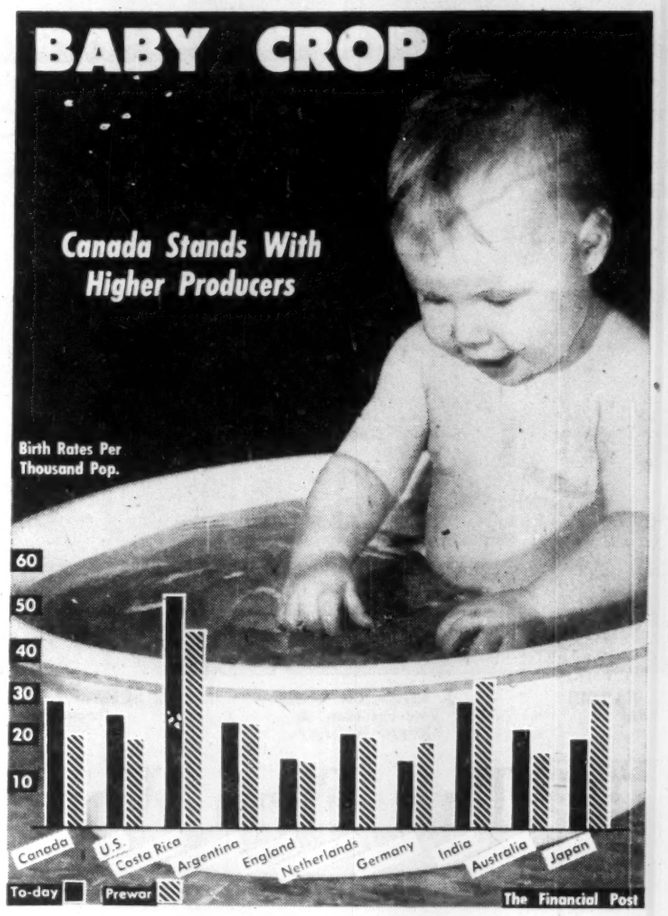
Cop: "How did you get that pot of honey?"

Tramp: "Well, I admit I don't keep bees, but what's to prevent a chap from squeezing it out of the flowers himself?"

* * *

Woman (in wrong department of a large store): "Have you Dickens' Cricket on the Hearth?"

Salesman: "No ma'am but I can show you a very good table tennis set."



Post Scripts

Lawyers for 200 Years

New president of General Trust of Canada (Montreal) comes from one of Canada's oldest legal families. He is 47-year-old Marcel Faribault of Montreal. The Faribaults have been lawyers in Quebec, father and son, for 200 years without a break.

Faribault plays a leading part in all French-Canadian and legal affairs in the province.

MR. FARIBAULT

For the past five years he has been Secretary General at the University of Montreal. There he was responsible for administration.

Educated at College of L'Assomption and University of Montreal he was admitted to the notarial profession in 1930. From then until 1950 he worked in St. James St., steadily building up a reputation as an expert in succession duties.

During that time he acquired an impressive list of honors and appointments from his work in the community and profession.

For the last seven years he has been a director of General Trust of Canada. This year he was offered the presidency which he accepted. The work will keep him busy. He will head some 80 staff members and watch over a capital subscription of $1.7 millions. This may mean an end to one of his best loved extra activities—lecturing on law at the University of Montreal.

A family man, Marcel Faribault has seven children ranging from one year to 15. He has a house in Outremont and plays some golf which he describes as "bad now but used to be better when I was young."

He is a member of a number of Montreal Clubs but denies he is in any way a clubman. With his present interests which include writing occasional legal articles for law reviews and directorships in a number of prominent French Canadian firms, he has little time for the club easy chair.

What are the chances of the Faribault name continuing in law? "It is a little early to say yet," he replies, "but I have hopes for one of my boys."

* * *

New Chief CICA

Gerald E. Martin capped his second career by becoming president of the Canadian Institute of Chartered Accountants this week.

The incoming CICA president celebrates his 20th year as a chartered accountant this year by heading up an organization that is striving to standardize the early training of accountants and for the next 12 months much of his time will be devoted to that task.

The 57-year-old English-born accountant began his first career as a wireless officer in the Royal Navy during the First World War. He spent most of the war's early years at sea and during that time he made several trips to Canada on troopships. Shortly before hostilities ended the Navy transferred him to a civilian cable station in Ireland and that was the start of an interest in cables that was to last more than 10 years.

After four years at the Irish end of a trans-Atlantic cable he was switched, in 1920, to the Canadian end at Halifax.

Martin's first major promotion was a posting to the West Indies. He arrived at the Bahamas with the rank of superintendent and began organizational and administrative work. During a three-year period he established 12 wireless and cable stations, set up operator training schools and directed the service accounting. When he left in 1927 for one year's leave in England he was general superintendent of the West Indies service.

When the year's leave was up Martin was re-posted to Halifax. Shortly after his arrival, however, a cable-wireless corporation merger occurred and the new firm didn't appeal to him. He resigned and began studying for a C.A. by becoming articled to a firm of accountants.

It was quite a come-down financially . . . "I wouldn't embarrass the firm by saying what my starting salary was," he says now. By 1935 he had earned the coveted C.A., however, and he was taken into partnership two years later by the late W. Simms Lee, a charter member of the CICA whose firm had been established even before Martin was born.

The name of the firm was changed to Lee and Martin and it remains unchanged today, Martin is the senior partner. There are six offices in the Atlantic provinces.

Association President Martin is a country dweller who has a home and four acre property within 15 driving minutes of his office. It is directly across the northwest arm that forms part of Halifax harbor. Though it's close to the city it is also pastoral enough for Martin to enjoy his hobbies of fishing and nature photography within shouting distance of his landscaped garden.

He has a dozen lobster traps which he uses frequently and at lobster parties he often takes over as chef. He belongs to the "put them in the boiling water head first" school of lobster cookers.

He married Dorothy Townsend, daughter of Joseph Howe Townsend in 1922 and they have two married daughters and a 10-month-old grandson, whom they are not allowed to spoil.

* * *

International Realtor

Canadian realtors started to forge official international links when they appointed Eugene W. Gladstone as their delegate to the annual convention of the International Real Estate Federation held recently in Geneva. In the course of a personal trip to Europe, Gladstone represented at the convention both the 4,000-member Canadian Association of Real Estate Boards and the Toronto Real Estate Board which has about 1,500 members. He came back with two distinctions. First, he was elected a vice-president of the international body. He was also asked to prepare a brief for next year's convention in Vienna on a proposal he submitted for an international system of listing, as they came on the market, properties which might be of interest to brokers in different countries.

MR. GLADSTONE

Gladstone, who speaks five languages, came to Canada some 30 years ago from his native Roumania. Now, at 50, he is an established realtor in Toronto handling investment properties exclusively. When he emigrated from Europe, he studied at Carnegie Institute of Technology in Pittsburgh, U.S., and later at the University of Saskatchewan. His first job in Canada was with the CPR in the department of Colonization and Development, helping immigrants to settle on the land. He worked in insurance for a number of years and in Timmins, where he went to open a new branch office for his company, he was an alderman for several years and unsuccessfully contested the mayoralty in 1944.

He switched from insurance to real estate in Timmins, came to Toronto in 1946 and expanded his real estate business to the point where he employed more than 20 salesmen. Three years ago, he decided to restrict his business to investment properties only. He lives in Forest Hill, Toronto, is married and has two teen-age children.

What Others Are Saying

Editorial of the Week

Curious and Costly

Exeter (Ont.) Times-Advocate

The Ways of Man are curious and costly. Take water in Western Ontario for an example.

For years Western Ontario has been spending millions of dollars trying to get rid of water as fast as possible. By building drains, ditches and channels, the area sends the water out to the lakes as soon as it falls from the sky.

Now the country's dry. So what is proposed? A water pipeline system from the Great Lakes to the communities.

Thus man, who spent millions to rush water into the lakes, must now spend more millions to pump it inland again.

Think how much cheaper it would have been if we had let the water take its natural course in the first place.

Other People's Views

WE'RE HARVESTING a $600-million wheat crop, but we haven't marketed it, points out the **Regina Leader-Post.** "This is the nation's problem, particularly since the Federal Government saw fit to take over the nation's wheat business."

LET'S GET the Trans-Canada Highway finished, urges the **Windsor Star.** "Both levels of government should sit down and review the situation, and try to reach some understanding that will guarantee the gaps will be filled in within a reasonable period."

THOUSANDS OF JOBS could be provided during the slack winter months, says the **Ottawa Citizen,** by spreading seasonal construction. "The problem is one to be tackled on a wide front — by contractors, by private industry when it orders buildings put up, by trade unions and by the Government, which can give a lead."

FISHING well-stocked private ponds is neither real fishing nor real sport, thinks the **Port Arthur News-Chronicle.** "One might as well go to a butcher shop and buy a fish. Fishing really means a tramp through the underbrush, a laborious pulling of a rowboat and a lot of other things, almost anything but sitting on the bank of a well-stocked pond and pulling them out, like a small boy catching perch off a dock."

THESE NEW AUTOS are not making things easier for the police, points out the **Galt Reporter.** "In the old days, the police radio could crackle out a crisp description such as: 'Four men and three blondes in a blue Essex.' Now they have to say: 'Four men and three blondes in a baby blue Sufferomobile, the upper part of which is chartreuse and the lower part of which is pea green, with white side wall tires, etc., etc.'"

DROPPING OF PROVINCIAL BARRIERS by the legal profession and others, will not diminish quality or reputation, argues the **Peterborough Examiner.** "This sort of practice may have feathered professional nests but we cannot think that it has prospered the profession. Arbitrary restrictions seldom benefit learning whose virtue is sustained by freedom of intercourse. Provincialism in the professions is a narrowing thing and has the taint of self-righteousness."

THERE WAS A TIME, remembers the **Vancouver Herald,** when thrifty people would not entrust their money to any bank unless it was a huge, ugly building resembling the Roman Forum. "At least, bankers were under the impression that customers fancied that type of architecture. In more recent years new bank buildings have cut out the gingerbread style and some of the bolder architects have submitted plans which make a bank look like an Egyptian tea garden. In one other department the banks have also stepped ahead. Most branches now employ pretty girls to take care of the business which used to be the exclusive property of stiff and pompous male clerks."

The Financial Post

Member Audit Bureau of Circulations
Member Business Newspapers Association of Canada

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Advertising Manager: Austin A. Weaver.
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Subscription — Single copies 20c. Yearly in Canada $6; (two years $11); all other countries $7 (two years, $13)

Advertising Rates: Single insertion $7.70 per inch. Contract terms upon request.

Authorized as second-class mail. Post Office, Ottawa.

Indexed by The Canadian Index of The Canadian Library Association published 10 times yearly and cumulative annually.

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CORPORATION SERVICE. A. C. Bowman, manager.
Special service for investors $2 per company a year, complete service $32 monthly.
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Published and Printed by
MACLEAN-HUNTER PUBLISHING COMPANY LIMITED
TORONTO 2: 481 University Avenue, EMpire 3-5981.
MONTREAL 2: 1242 Peel St. UNiversity 6-9841.

HORACE T. HUNTER, Chairman of the Board
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OTHER SERVICES: Canadian Press Clipping Service, Commercial Printing Division, National List of Advertisers.

MACLEAN-HUNTER LIMITED
LONDON: Wellington House, 125 Strand, London, W.C.2; Cable Atabek; Temple Bar 1616.

MACLEAN-HUNTER PUBLISHING CORPORATION
NEW YORK 36: 522 Fifth Ave. Murray Hill 2-7888.
CHICAGO 6: 309 West Jackson Blvd. Harrison 7-7890.

Representative:
DUNCAN A. SCOTT & CO.
LOS ANGELES 5: 2978 Wilshire Blvd. DUnkirk 8-4151.
SAN FRANCISCO 4: Mills Building, GArfield 1-7950.

September 17, 1955

Bruce Hutchison Writes About:

Voters in the flesh

Before starting out for Russia Mr. Pearson briefly explored another mysterious country known on the map as British Columbia but actually known only to its natives. This exploration was good for British Columbia and especially good for Mr. Pearson.

It is said of him, in the smoke-filled hotel rooms of politics, that he knows all about the world but not enough about Canada. His only disability, among the professional Liberal politicians of Ottawa, is that he has concentrated his mind too much on foreign affairs and, for all his glittering talents, has not yet learned the essential chore of building fences in the back concessions.

Now, I happen to think, as a resident of the back concessions, that Mr. Pearson has superbly done the job he is paid to do as foreign minister and can quickly master the arts of domestic politics if he sets his mind to it (as perhaps he has already).

Just the same, his little tour reminded us out this way of a political fact larger than his personal future and apparently too subtle for the government to grasp. I mean the psychic separation of the government from the people.

The government will answer with honest indignation that it knows much more about the people than backwoods amateurs like this correspondent. Its delicate thermostat reacts to every change in public temperature, its seismograph warns it of every minor earthquake, its communication system stretches into every remote hamlet and no government in the world so well understands—by the indisputable evidence of eight victories — how to win elections.

All this is true enough but I am convinced, after visiting every province and many places Ottawa never heard of, that the government is getting out of touch with the people as assuredly the people are getting out of touch with the government.

Surveys, Reports and Sheer Intuition Are No Substitutes For Contact

It is all very well to say the government knows the public mind by correspondence, by political pressure, by reports from its friends on the spot, or by sheer intuition and osmosis. It is all very well to say that the public knows the government by newspaper reports, radio, movies and television. But with all these avenues of communication, there is no substitute for the presence of the human being in the flesh.

A sensitive man like Mr. Pearson will learn more about British Columbia or any other

BRUCE HUTCHISON

place from a few days' direct contact than he can possibly learn from months of reading, parliamentary debate or cabinet wrangle. He will learn the things unknown in Ottawa.

On the other hand, the public will find Mr. Pearson or any other visitor, at first hand, a very different man from his speeches in the newspapers, his voice on the air or his picture on the screen.

No matter how able the reporters may be, how clear the radio reception or how lifelike the photography, some vital element, some living spark, is lost in transmission. The whole man, the real man, cannot get through the sieve.

There must have been a greater reality and closer contact in our politics before the invention of the film, radio and public opinion polls. In those days politicians had to travel if they were to be heard and seen, and if they were to judge the public temper. A large part of a prime minister's life was spent in travel, and a traveler like Macdonald or Laurier, I suppose, would know a good part of a small population by its first name.

Are Exhausting Tours Worth Trouble If No Threat In Prospect?

Nowadays the work in Ottawa is heavy and growing heavier all the time as the nation grows in population and complexity. Any cabinet minister who can manage to live through a six-month parliamentary session is glad enough and deserves to retire into some rustic sanctuary without a telephone, secretary or briefcase.

If there appears to be no trouble in the back concessions, no threat to the government and no shadow on the Canadian boom, why waste time and energy on an exhausting tour? Anyway, what right has the public to complain when its servants are working and usually over-working at its business?

The public does not complain much. In a period of prosperity and relaxed nerves the public mind is on other things. That is just the trouble. The public is not thinking enough about its servants, as they are not thinking enough, in human terms, about it. For the moment, but only for the moment, both politicians and public seem to be bored with politics, and that is a dangerous state of mind for any democracy.

The public doesn't complain much but the politicians of any party will be foolish if they take this apparent apathy for approval or boredom for thoughtlessness. In fact, any man who has visited the remote places this year knows that the people are thinking furiously.

To be sure, they are generally thinking of some local problem that may appear unimportant among the greater problems of government, but it is important to the local people. These many diverse problems, merged together, impinge on national politics sooner or later and invisibly condition the public mind for the next election. And such things are discoverable only on the ground.

Hearing and Knowing Vastly Different In Political Arena

Every politician will hear, for example, of the fishermen's problem in Newfoundland (so long as Mr. Pickersgill is in health and voice) or the farmers' problem in Ontario and the West (Messrs. Harris and Gardiner will see to that).

Hearing and knowing, however, are two different things. You simply cannot know a Newfoundland fisherman, a farmer, a miner, a logger or a smalltown businessman and what is really worrying him—you cannot truly understand his problem until you have talked to him yourself. Then an abstraction becomes a living thing, a problem becomes a person and a politician becomes a wiser man.

Our sedentary statesmen are missing the person behind the problem by staying too close to home or visiting only the big towns. The result, as some correspondent complained in the western press the other day, is that the hand of Mr. Harris is in everybody's purse, his eye no doubt on every political fence but no one would recognize his face if he were to walk down Granville Street, Vancouver, or Barrington Street, Halifax.

The same is true of most of Mr. Harris' colleagues, apart from the headliners like Mr. Pearson. Why, few Canadians can have laid their eyes on any cabinet minister in all their lives.

Mr. Harris and many around him are accounted able politicians and sound administrators. Yes, but they are remote blurs and pale shadows to most of us.

Unless they get about more, feel the dust of the country road, hear the secret voice behind the clamor of our cities and, above all, escape the misinformation of their political friends, then I suspect that the people will become more and more like shadows to them.

Newfoundland Schools Will Get New Desks

The Newfoundland Education Department will spend close to $100,000 this year to provide new desks for schools in Newfoundland.

It's expected 10,000 new desks will be required. Majority of these will be purchased from the CMIC plant, The Octagon, one of the Smallwood-introduced new industries.

The plant has to date turned out 3,200 of 5,000 desks expected to be produced this year.

Chatelaine Survey Reveals Suburban Buying Patterns

Knowledge of the habits, plans and problems of residents in Canada's Suburbia is vital for effective selling in a new and developing market. To get the facts, Chatelaine Magazine has been conducting a continuing study of representative suburban communities across the country.

The third interim report of six to be issued during the year-long survey was released this week. Prepared by Gruneau Research Ltd., and based on surveys of suburban dwellers in Vancouver, Edmonton, Winnipeg, London, St. Catharines, Kingston, Toronto, Montreal and Halifax, the study is seeking to find out how these people are equipping and using their homes and what their future plans are.

The first report in January pointed out that many important purchases (automobiles, washing machines, sewing machines, appliances, etc.) and home improvements were being planned for the next six months. The second report provided information of meal planning and preparation.

Three more reports are to be issued within the year and a final report in summary form when the study is completed.

Suburban Purchases

The third report, following a third wave of interviews in May, has revealed that many of the purchases and improvements planned in January have already been carried out. The purchases included:

—Automobiles: Last January 7.9% of the 267 families interviewed said they planned to buy an automobile within six months. By the third interview, half of them had bought cars and 6.4% of the others who hadn't planned also bought a car.

—Washing machines: Two-thirds of the 3.7% planning a washing machine had made their purchase by May. An extra 1% who hadn't planned to buy within six months, bought one too.

Television: Two-fifths of the 4.5% planning sets and 1.5% of those not planning, bought TV sets by May.

—Living room furniture: Two-fifths of the 3.7% planning and 3% of those not planning, bought living room furniture by May.

—Bedroom furniture: one quarter of the 4.5% planning and 2.6% of those not planning, bought bedroom furniture.

Purchasing Clues

These figures, part of the full story to be known when the study is completed, are expected to provide some clues as to the length of time between planning and purchasing with the suburban family. It may also show how much impulse sale the salesman can count on.

Similar information emerged regarding home improvements:

The third report indicated that two thirds of the 35.2% of the total who had planned in January for interior painting in their homes within six months had completed the job. A third of those planning outside work had finished that by May.

In addition, the third report looked at some of the preferences of the suburban dwellers on the appearance of and materials used in their homes. It was found that 61% preferred a picture of a modern living room while 32% were partial to the conventional living room picture. Of the total who preferred the modern living room, 57% said they prefer sectional furniture.

It was found that 51% of the families had rugs on their floors, 36% said they had wooden floors with no covering. Some 57% of the families said they would prefer to pay more for furniture to ensure that it would last longer.

The group used for the study is made up of 267 homes, most of which have been built within the last five years. In 10% of them, the housewives are under 25 years, 64% are 25-35 and 26% 35-40. Nearly all the families have children.

In the report of the fourth series, a summary of purchase and home improvement activities to date will be included.

Lethbridge TV Station Aims For Fall Opening

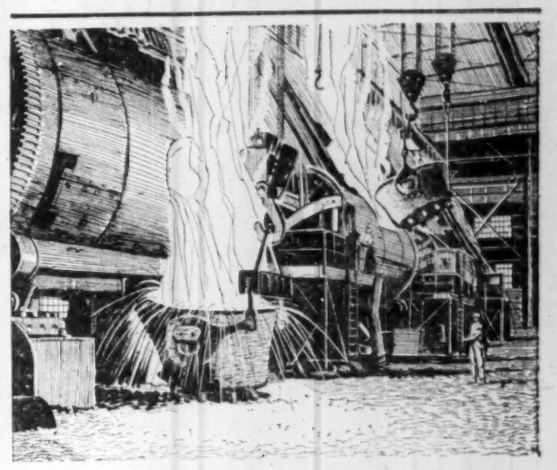
From Our Own Correspondent

LETHBRIDGE, Alta. — Construction work has been started on a television station being established here at an estimated cost of over $500,000 by Lethbridge Television Ltd., a new company jointly owned by The Lethbridge Herald and radio station CJOC of the city.

It is expected that the television station will be operating during the coming fall.

Hugh P. Buchanan, president of the new company as well as president and editor of the newspaper, announced that Canadian Westinghouse Co. of Hamilton had been awarded the contract to supply the transmitter equipment and also the contract for the erection of the antenna tower which will rise to a height of 635 ft. on the northeastern outskirts of Lethbridge.

Holte & Nordlund of Lethbridge were awarded the contract for constructing the studio and transmitter building. Managing director of the television company is Norman Botterill; George A. Young is secretary-treasurer.



The 'Big Four' in Base Metals

Nickel, copper, lead and zinc are the 'Big Four' in Canadian base metals. An important factor in helping Canada maintain a favourable trade balance, base metal mines provide employment for thousands and are large consumers of timber, explosives, steel, fuels, hydro-electric power and a wide range of other products.

As these metals are essential to many industries, securities of several Canadian base metal companies offer interesting prospects for investment. The increasing demand for their products, both at home and abroad, has resulted in expansion of productive facilities, greater output, and increased activity in searching for and developing new ore bodies in many parts of Canada.

Because Canadian base metals are becoming more and more essential in meeting world requirements and in Canada's expanding economy, you may think it desirable to include in your list of investments the securities of at least some of the important companies in this industry. If so, you might like to discuss with us an investment in Canadian base metals. Just write or visit any of our offices.

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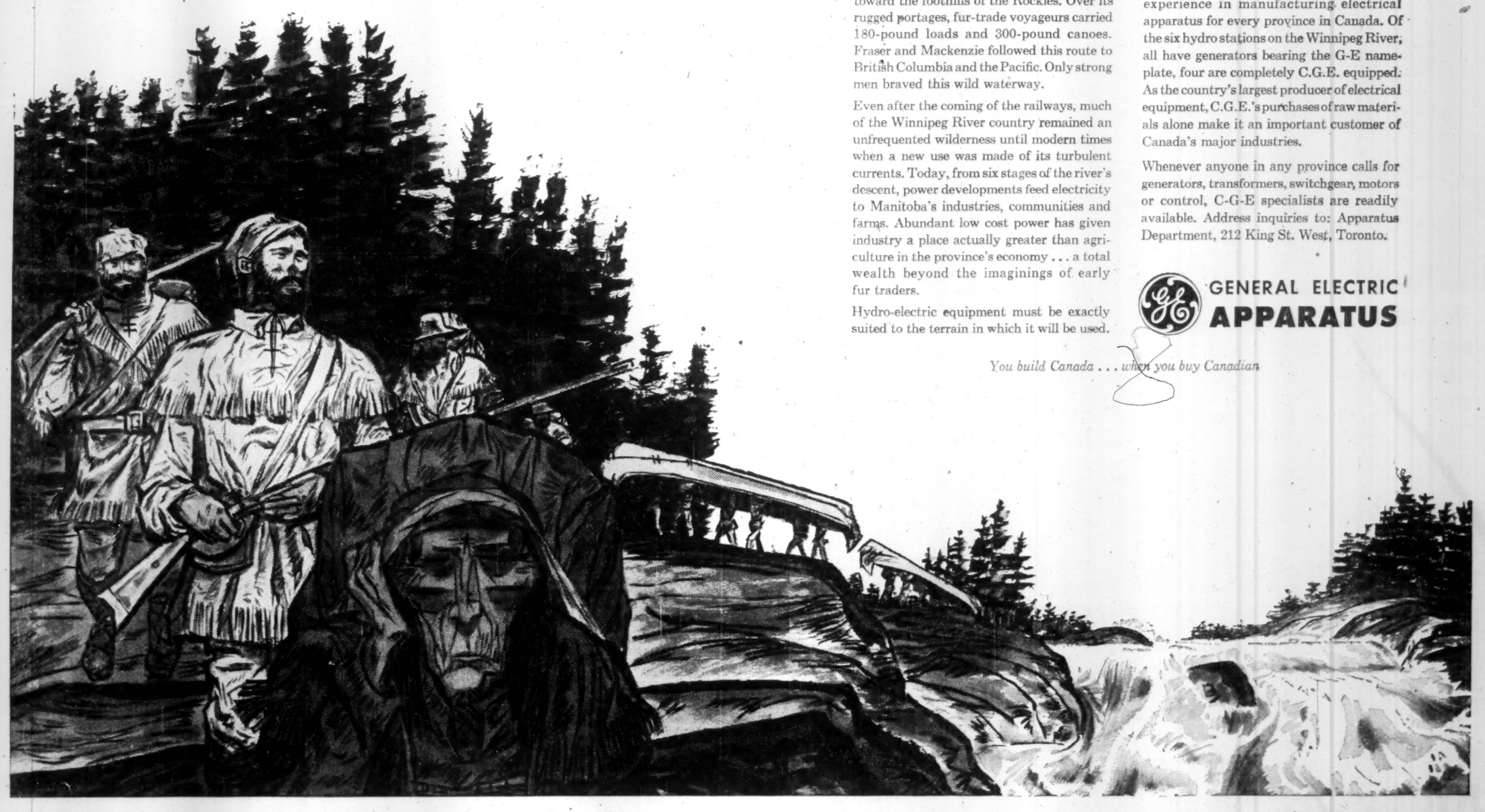
STORMY STAIRWAY TO THE WEST



Once, a new route to riches for the old fur trade; today it creates the far greater industrial wealth of modern Manitoba

Thirty-two times in 150 miles the Winnipeg River drops westward from Lake of the Woods to Lake Winnipeg, in a 'stairway' of falls and rapids. This twisty channel was the highway that led explorer La Verendrye, in the 1730's, toward the foothills of the Rockies. Over its rugged portages, fur-trade voyageurs carried 180-pound loads and 300-pound canoes. Fraser and Mackenzie followed this route to British Columbia and the Pacific. Only strong men braved this wild waterway.

Even after the coming of the railways, much of the Winnipeg River country remained an unfrequented wilderness until modern times when a new use was made of its turbulent currents. Today, from six stages of the river's descent, power developments feed electricity to Manitoba's industries, communities and farms. Abundant low cost power has given industry a place actually greater than agriculture in the province's economy . . . a total wealth beyond the imaginings of early fur traders.

Hydro-electric equipment must be exactly suited to the terrain in which it will be used.

The Canadian General Electric engineers and skilled workers who recently designed and built eight generators for the MacArthur Falls power project, 80 miles north of Winnipeg, were backed up by wide Company experience in manufacturing electrical apparatus for every province in Canada. Of the six hydro stations on the Winnipeg River, all have generators bearing the G-E nameplate, four are completely C.G.E. equipped. As the country's largest producer of electrical equipment, C.G.E.'s purchases of raw materials alone make it an important customer of Canada's major industries.

Whenever anyone in any province calls for generators, transformers, switchgear, motors or control, C-G-E specialists are readily available. Address inquiries to: Apparatus Department, 212 King St. West, Toronto.

GENERAL ELECTRIC
APPARATUS

You build Canada . . . when you buy Canadian

CANADIAN GENERAL ELECTRIC COMPANY LIMITED

Advertisement

"Obsolescence" makes car sales boom ... WHY NOT YOURS?

A year ago the sales picture wasn't very bright for automotive manufacturers but the car men didn't just sit around waiting for things to improve, they spent millions on new, improved products, backed up their investments with hard-hitting promotion AND WON MORE SALES!

"Being dissatisfied with the old" is the underlying reason Canadians buy new cars. That's obsolescence.

More and more new cars are being sold, not necessarily because the old ones are worn out, but because Canadians have been persuaded the new ones are smarter, superior and more fashionable in every way.

Canadians are content to live with outmoded furniture, tired mattresses, faulty furnaces, inefficient appliances because the home goods industry has done a feeble job of selling "fashion" to Canadian homemakers.

The hard fact remains that for every $100 spent on furniture and furnishings outlets in 1954, Canadians spent $320 on automotive sales and service, $775 in food outlets and $510 in wearing apparel.

Other industries are asking for AND GETTING the dollars that could be yours.

Now's the time to step up your sales efforts by selling "FASHION" rather than "eternity". Now's the time to show that home goods become dated and need replacing just like the family car. From now on let's sell merchandise because it makes life worth while TODAY, not because it lasts a lifetime.

Canadian Homes and Gardens' powerful new 24-month editorial series on "PROGRESS IN THE HOME" is already educating readers on the merits of planned replacements and improvements in the home month-by-month, year-by-year, decade-by-decade. BUT the whole success of this forward program depends on you.

CH & G talks your kind of language to your kind of sales prospects but only manufacturers and retailers can put the story across at the sales level, with strong advertising support and increased efforts at point-of-sale.

Let's work together, let's SELL together by making Canadians more fashion-conscious and replacement-minded. "Obsolescence" will work just as hard and successfully for the home goods industry as it has for the car industry.

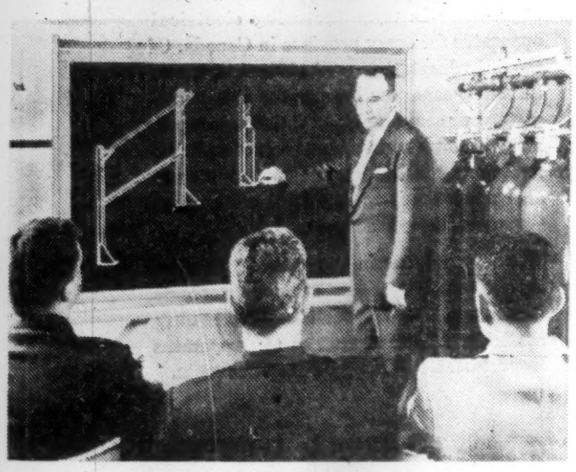
For further information on this aggressive program, see your CH & G representative: 481 University Ave., Toronto 2, Canada, or 1242 Peel St., Montreal 2, Canada.

A Good Investment

Halton & Peel Trust & Savings Co.
Oakville, Ont.

Shares $11

GREATEST FIRE FIGHTING DESIGN ADVANCE IN 25 YEARS!



This Kidde Automatic Pressure-Operated CO_2 Extinguishing System is *brand new from the floor up!*

✓ CHECK THESE 10 FEATURES!

☐ **1.** NO FALLING WEIGHTS – No clumsy mechanical triggering methods. Pneumatic or Electrical Control Heads automatically trigger CO_2 cylinders, assure complete discharge!

☐ **2.** SELF-ENCLOSED PARTS – All moving parts of the new Kidde system are self-enclosed to prevent fouling or accidental operation!

☐ **3.** EASIER INSTALLATION – New racking arrangement is pre-drilled at the factory, eliminates need for special hangers, tools or outside material! Can be either "free standing" or wall mount.

☐ **4.** NO PARTS TO REPLACE – Even after a fire, operating parts of the new Kidde system can be re-set with a screwdriver. No parts need be replaced. Refill cylinders and system is ready for operation!

☐ **5.** SIMPLE, THOROUGH TESTING – By merely disconnecting control heads from cylinders, *all* operating parts (other than actual discharge of CO_2 gas) can be tested *in place!*

☐ **6.** QUICK VISUAL INSPECTION – All primary actuating parts fitted with easy-to-read visual indicator. Shows at a glance if system is "set" or "released."

☐ **7.** MULTIPLE PROTECTION – Automatically-operated Directional Valves let you protect more than one hazard from the same bank of cylinders!

☐ **8.** SIMPLIFIED WEIGHING – New racking arrangement lets you weigh CO_2 cylinders right in place without disconnecting them, providing uninterrupted fire protection even while cylinders are being weighed!

☐ **9.** NO OUTSIDE POWER NEEDED – The new Kidde system is completely self-contained, has rate-of-temperature-rise detectors which give sure protection even in case of outside power failure!

☐ **10.** AUXILIARY EQUIPMENT – Also available for use with the new Kidde system are devices for turning power on or off, for opening or closing doors, windows, dampers, etc.

Fully approved by Underwriters' and Factory Mutual Laboratories.

Complete details of this revolutionary new system are contained in Kidde's Pressure-Operated System Booklet. Write for your copy today!

Kidde Walter Kidde & Company of Canada Ltd., Montreal—Toronto

The words 'Kidde', 'lox', 'Lox-O-Matic', 'Fyre-Freez' and the Kidde seal are trademarks of Walter Kidde & Company, Inc.

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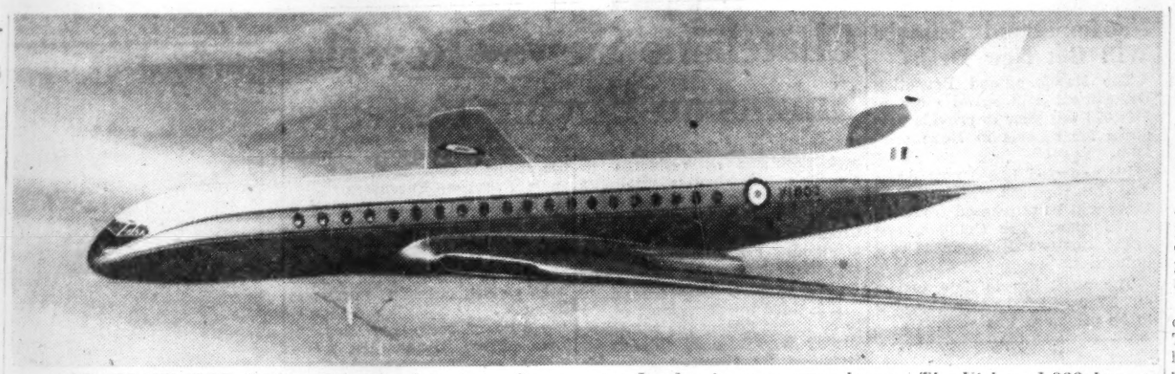


NEW PLANE FOR TCA? Britain's first jet military transport aircraft is now under construction at Vickers-Armstrong Works. It will be available to civil operators and TCA could be among the first to buy it. They would get a 150-seat aircraft capable of flying from Montreal to London in some seven hours. The Vickers 1,000 has a wing span of 140 ft., a length of 146 ft., height of 38½ ft. and is powered by four Rolls-Royce Conway engines each developing nearly 20,000 lb. of thrust.

Free World Shops At Farnborough

Here's What Britain Has To Offer Commercial Airlines

By LIVE BAXTER

LONDON (Staff) — Britain once again put all its aviation products on show last week in the most spectacular shopwindow of its kind in the world—Farnborough. That one name has a magic ring everywhere. Executives and engineers from every part of the world — excluding Iron Curtain representatives, still refused admission, and including over 200 Canadians — came for a week's solid meetings in a quite unique atmosphere: A mixture of fairground and laboratory.

From the round of cocktail parties and dinners, under the rows of bright flags, in the surprisingly strong sunshine this year — British aviation manufacturers proved their point. They are still very much in the running for civil world markets.

For economic reasons this country's plane builders were forced to gamble hard to get ahead of their U.S. competition. They took long risks. Britain pushed ahead into the unknown worlds of jet transports and war planes of revolutionary shapes and performances.

Now with the easy wisdom that comes well after the event it is simple to see where they went wrong. Certain basic steps in aircraft evolution were missed out. The Comet tragedies were a direct result. Nonetheless an important fact emerged at this year's show — with the experience gained over the past five years Britain is in a strong position in the field of civil aviation.

Eyes On Canada

And a large part of the interest is centred squarely on Canada. There are reasons for this. Every British industry is conscious of the value of a growing market and, more vital, the importance of earning dollars. To aviation men Canada is the second most important market in the world.

No one here expects to make much of a market impression in the U.S., despite the Viscount's big hit. Home buying is too strong. Canada therefore becomes a prime sales target.

Here are some of the markets they are ready to serve:

Long-Range Transports: Here Britain has a triple threat. The de Havilland Comet 4, Bristol Britannia and Vickers 1,000. Each of these airliners is unique in its field. Most nearly ready is the turbo-prop Britannia due in service with BOAC next year. Fairly fast, in the 400-mph class, it has tremendous range — 5,000 miles with 80 passengers and a full freight load. A number of world airlines are toying with orders and Bristol officials are hopeful for a big success. Canada may see the Britannia in overseas operators' colors but probably not in those of TCA or CPA.

There is a reason for this. Both the Canadian airlines have decided their next equipment must be in the "straight jet" class with 600 mph plus speeds. They are not considering a middle turbo-prop stage for long hauls. In TCA's case the turbo-prop Viscount fills all the short and medium route requirements now.

This brings both the Comet 4 and Vickers 1,000 into the Canadian picture. CPA and de Havilland have been on harmonious terms during recent years despite the loss of their first Comet. The new "beefed up" Comet is believed to hold all the answers.

"We know it is not going to be easy to sell the Comet to passengers at first," a de Havilland sales executive told The Post, "but it can be done. Initially the burden rests with our firm and BOAC. We are planning a most ambitious promotion campaign to sell Comet travel all over again."

It looks as if the Comet story is not over yet. All week their stand at the show was visited by groups of executives from leading airlines. Actually despite the year's delay caused by the crashes and later investigations, de Havilland still lead their competitors by at least two years. And they are determined not to lose this lead. At present, 80% of their design staff are working on the new Comet 4. A production line is already well under way.

If Canadian Pacific clinch an order for Comet 4s they will have a service that will challenge TCA. Their new cross-continent route Vancouver - Mexico City - Toronto could then be done in 10 hours flying. This would give them comparable flying times to TCA's present service with Super Constellations added to a stopover in Mexico for a few dollars more. Similar advances could be made on their Pacific and polar services with the Comet.

But most interesting and daring step would be TCA's rumored purchase of the new Vickers 1,000. Due to fly early next year this is a most advanced aircraft, at present shrouded in secrecy. Basic purpose is as a high-speed military transport for the RAF. But conscious of the need to sell on the civil market an airliner version is under almost simultaneous development.

So far little is known on its performance. But it will be a 150 seater powered by four Rolls-Royce Conway engines each developing nearly 20,000 lb. of thrust.

That, experts estimate, should produce the sort of speed and range that would enable non-stop London to Montreal flights in seven or eight hours. TCA seems to have figured the same way.

The Post understands that agreement has been reached between TCA and Vickers Armstrong to give the airline first refusal on the civil version.

"We would like to go on dealing with Vickers and Rolls Royce," a TCA official at Farnborough said. "We got on well together over the Viscount, we think it's a good team."

But while the airline has committed its thinking to a big new stride forward, it has not centred all its hopes on the one plane. Two U.S. firms — Boeing and Douglas — are working on similar products that could do the job for TCA.

Freight and Bush Planes: The new northern flying market intrigues British plane makers. So far they have stayed out of the field but now with the impetus of Dew line operations — they see a whole new potential sales field.

Blackburn & General Aircraft are due to send its giant Beverley Freighter out to Canada in November. It has been accepted by the RAF and is entering squadron service now. Primary object of the trip will be winterization trials for the British Ministry of Supply. But at the same time a sales tour will be made of northern operators. They will be offered a giant four-engined freighter capable of handling 20-ton loads over 1,000 mile routes. Price: $1 million each. Operators can be offered 18-month delivery dates.

A great deal of work has gone into Beverley development for the Canadian market. Countess charts and tables are being prepared answering every question put by Canadian operators.

"Our biggest competition I am afraid," a company spokeman said, "are war surplus aircraft going for a song. Until they are used up we may have trouble selling."

A tanker version has been produced for supplying Dew line radar stations with fuel oil. At say a 1,000-mile roundtrip without refueling in the North the tanker can deliver 2,800 gallons of fuel oil. This version the makers and Field Aviation, their Canadian agents, are sure is the one most needed.

In the smaller field Handley Page showed a new replacement, the Herald. Capable of operating from small crude strips it still contains the comforts and safety of its more sophisticated brothers on the intercity routes. Pressurization for the 44 passengers is coupled with a high wing to enable them to see out easily. A 1,000-yard grass strip will handle it.

Before the show's end Handley Page had 29 firm orders booked with many more possibles to follow. Price just over $300,000 — delivery late two years.

In the field of true bush planes and helicopters Britain has a number of contenders. New ideas in helicopter operations were much in evidence — including jet power and a tiny two-seater for artillery spotting.

Engines: Here Britain's position remains unchallenged—and overseas visitors were ready to acclaim it. Rolls-Royce had flying in the display the first of their Conway engines of almost 20,000-lb. thrust. No less than 50 types of jet and turbo-prop engines were on show. Between them they supply the power plant answers to most operators' problems.

In the first seven months of this year British aircraft and engines exports earned £37 millions. Interest at Farnborough indicated that is only the beginning.

ANNOUNCEMENT

H. L. GUY, C.B.E., F.S.A.

The Mutual Life Assurance Company of Canada announces that the General Manager, Mr. H. L. Guy, C.B.E., F.S.A., has been elected a Director of the Company.

Fine Paper Output Dips But Years Will Be 'Good'

MONTREAL (Staff) — Canadian fine paper production was down 12.7% at 15,258 tons in July this year compared with 17,469 tons for the same month of the previous year. On the year to date, however, production was running almost 1% higher at 124,832 tons compared with 123,899 tons for the same period of last year.

It was shaping up as a fairly good year although there's a general feeling production won't reach last year's levels, despite the modest increase to date. Decrease in output is normal during summer months, but it doesn't account for the drop of almost 5% in June and the 12.7% in July, compared with the same months of 1954.

Shipments have fallen off during the past two months, especially in export markets, indicating orders are running lower, in export markets, they have dropped 17.3% in July at 801 tons compared with 969 tons in July, 1954, but this takes a smaller percentage of total shipments than other fields. Export shipments are up 25.3% at 7,684 tons from Jan. 1 to the end of July, compared with 6,131 tons in a comparative period last year.

Although shipments to Canadian consumers are up a shade in the first seven months from last year at 117,915 tons vs. 117,426 tons, they dropped 9.2% in July at 14,106 tons against 15,536 tons in July last year.

Coated paper processed was down 8.6% in July at 1,830 tons (,008 tons in '54) while total shipments were down at 1,800 tons (1,861). However, they are both somewhat higher on the year.

GM Production Up, Auto Sales Soar

Production and sales of General Motors vehicles reached record levels during August, GM President W. A. Wecker said this week.

The all-time high for August brought retail deliveries of cars and trucks to some 150,000 units, an eight-month production record that exceeded 1954 figures for the comparable period by more than 35,000 units. During August retail sales of passenger cars totaled 13,309 vehicles, an increase of 46.7% over the same month in 1954. Retail truck sales during August totaled 3,605 units.

Total production for the month was 12,065 units, an increase of 51% over the previous year. This figure was reached despite a two-week shutdown for the annual staff holiday.

Used car sales by GM dealers during August stood at more than 21,000 units, an increase of more than 10% over the year before. Total number of used cars moved by dealers during the first eight months of the year was 173,605 cars, an increase of 31,598 units.

Dry Field Beans Grow Well in Alta.

From Our Own Correspondent

LETHBRIDGE — Southern Alberta's first major attempt to produce dry field beans for commercial purposes showed up as an overwhelming success this month as harvesting of the specialty crop neared completion.

Grown on about a thousand acres of irrigated land, the crop produced substantially more than a million pounds of cleaned beans.

Yields ranged from an average of a thousand pounds of cleaned beans per acre from most farms to an average of two thousand pounds per acre harvested from a 25-acre plot by Rex Powell of the nearby Cranford district.

General hopes of growers are that they will receive about nine cents per pound for their production. With the beans being of exceptionally high quality and uniformity, growers expect to market their production without difficulty to Southern Alberta vegetable cannery operators who pack pork and beans during the winter months.

During the past several years agricultural officials have been playing the groundwork for establishing dry field beans as another major specialized crop in Southern Alberta. However, until this year their efforts were confined largely to developing strains of the Burbank and Great Northern beans which would be suitable for Southern Alberta's climatic conditions, and then to multiplying the seed supplies of these varieties.

With enough seed available to plant a thousand acres this year, they extended their efforts into commercial production with the co-operation of more than 20 farmers. And the resulting crop exceeded all expectations.

Three Firms Compete in Pipeline Bid

Should an established pipeline company in an oil area be given preference when it comes to choosing which of several competing companies be given permission to build the line?

This is seen as one of the key questions facing the Board of Transport Commissioners when it hears three separate applications next week from companies seeking permission to build a 110-mile oil pipeline from Midale in Southeast Saskatchewan to Cromer, Man.

The three companies seeking Ottawa approval are: Trans-Prairie Pipe Lines Ltd., Westspur Pipe Lines Ltd. and S. & M. Pipe Line Ltd. Trans-Prairie is a small independent company already operating a pipeline connecting the Daly field in Manitoba to the Interprovincial oil pipeline at Cromer, Man. Westspur is a wholly owned subsidiary of Imperial Oil and S. & M. is a wholly owned subsidiary of Canadian Devonian Petroleums Ltd.

All proposed pipeline routes are about the same—only differing in pipe diameters. They would stretch in a southwesterly direction from Cromer into Southeastern Saskatchewan connecting the Alida, Frobisher and Midale fields in that province.

Trans-Prairie will endeavor to establish that pipelines should be for pipeline companies, not producing or refining companies and that one pipeline company in an area most economically serves that territory.

Canadian Devonian and Imperial will both claim special market interests in that they have largely developed two of the Saskatchewan fields — Canadian Devonian (with Canadian Gulf Oil) the Frobisher field and Imperial Oil the Alida and Steelman fields. (Shell Oil, not in the pipeline race, has developed the Midale field.)

Trans-Prairie has been operating the Manitoba pipeline since early last year. Company's pipeline system comprises 20 miles of six-in. main line and some 35 miles of four-in. and three-in. gathering lines. Construction of an additional 10 miles of main line and 10 miles of gathering line is under way.

Trans-Prairie's application will be heard before the Board of Transport Commissioners Sept. 19, 1955.

Odeon Profit Shows Increase

Odeon Theatres Ltd., London, Eng., reports consolidated operating profits before depreciation, taxes, and interest of £8,727,000 for the year ended June 25, 1955, 13.3% higher than £7,704,000 in previous year.

The annual report for the J. Arthur Rank group will show a material increase in operating profits, it is stated. Annual report will be issued in mid-September.

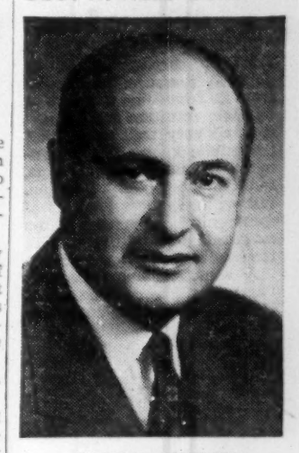
Canadian interests include the Odeon circuit of theatres and the J. Arthur Rank film distribution companies in Canada. Figures for these are included in annual report but are not shown separately. Leonard W. Brockington is president of these Canadian companies.

Name of British parent company, Odeon Theatres Ltd., is to be changed to Rank Organisation Ltd.

At last report outstanding capitalization in Canada consisted of $1.75 million 4¼% first mortgage sinking fund bonds, due 1963.

ANNOUNCEMENT

GEO. H. HEES COMPANY LIMITED APPOINTMENTS



CHARLES G. GREENFIELD

WM. A. U'REN

Mr. Max S. Haas, Chairman of the Board of Directors announces the appointments of Mr. Charles G. Greenfield as Vice-President and General Manager and Mr. Wm. A. U'Ren as General Sales Manager and a Director of the Company.

We are pleased to announce that

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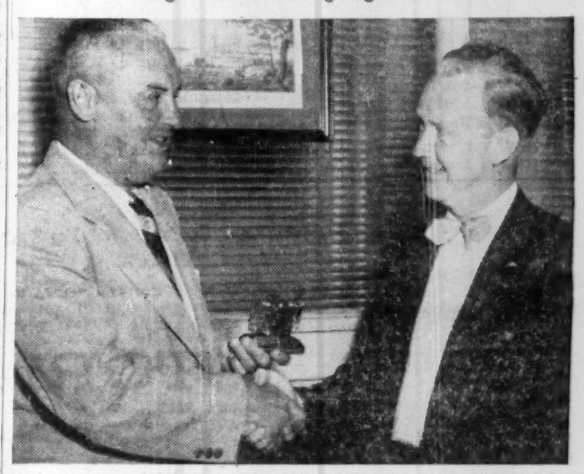
ANNOUNCEMENT

Federal Electric Products and Amalgamated Electric Sign Manufacturing Agreement



In a ceremony held recently, J. R. Clitherow, Executive Vice-President and General Manager of Mitchell Manufacturing Company Limited and Federal Electric Products, presented to A. V. Armstrong, President of Amalgamated Electric Corporation, a gold replica of the one millionth Stab-lok Circuit Breaker made in Canada.

The occasion marked the signing of an agreement between the two companies granting to Amalgamated the right to manufacture Stab-lok Circuit Breaker Enclosures and Panelboards and sell Stab-lok Breakers in Canada. This agreement will bring no change in the present sales policy of Federal Electric Products who will continue to sell to electrical distributors and actively promote the sale of its own products.

The manufacture of the one millionth Stab-lok Circuit Breaker in Canada is in itself a story of great significance. This is a remarkable record of less than 2 years production in Canada. Stab-lok is the forerunner of economically priced circuit breakers in Canada. Its unique design lends itself to methods of mass production. The fact that over 30 million have been produced and sold in the United States is ample proof of its acceptance and reliability.

Low cost circuit breakers now make it possible to have this safe, convenient, protective device in every home regardless of price bracket. Industry and commerce have recognized the importance of modern circuit breaker protection for many years and Federal Stab-lok has quickly found acceptance in these fields also.

Amalgamated Electric state that they will soon be announcing their sales policy in respect to Stab-lok Products.

F-5537

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Prices: On Application

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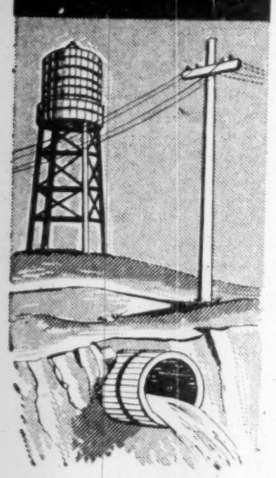
IT'S WOOD
but it won't decay — or be eaten away —



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SEN. H. MOLSON

WATSON SELLAR

JOHN J. CARSON

J. H. COLLINS

What's C.A.'s Place in Our Economy?

Industry Expects More Than A 'Check and Tick' Operation

The Canadian Institute of Chartered Accountants this week gathered some 1,400 strong at Toronto to take a searching look at the chartered accountant's place in Canadian development.

As Canadian business becomes bigger and more complex the chartered accountant is playing a bigger and more complex role. As one speaker pointed out, industry expects more of its auditors than a "check and tick" operation.

In a three-day meeting the C.A.'s listened to frank talks and held closed technical sessions, all aimed at maximizing accountancy's service to business and to the public. Here are digests of key addresses:

Services

SEN. HARTLAND MOLSON, President, Molson's Breweries.

Does the training and experience received by the C.A. student adequately prepare him for industrial work and, in particular, for executive accounting duties? My view is that while I regard the training to be as good or better than that to be obtained in any other field, there is still room for improvement.

One suggestion which might be examined would be a planned program of rotation of duties, of clients and of supervisors for the student during his period of apprenticeship, so that he may benefit from the broadest experience possible.

Industry expects more from its auditors than a "check and tick" operation leading to the production of financial statements substantially the same as those already prepared by the client's accounting staff. It expects more and, more important still, it needs more.

Take the field of management counsel; in large measure almost by default this has been preempted by Management Consultants. I have the greatest respect for some management consultants — usually those with a good leavening of C.A.s.

I feel that it is this sphere that presents the best opportunities of building up the reputation of the profession among the business community. It represents the biggest, and to some extent a virtually untouched market for C.A. services over and above the regular audit market, and it is here that I expect to see most change during the next few years.

The high level of tax rates, and the variety of taxes levied on industry in general today, make it fertile ground for thorough investigation by auditors, to insure that the interpretations of the law made by clients' staffs do not result in incorrect assumptions or overpayments. This is all the more necessary in the case of certain taxes where the acts themselves are either incomplete or unclear, or where government regulations are not published.

Complete budgetary control procedures are not yet in such use here as they are in the United States, so there would seem to be good opportunity to extend your value to your clients by the design and installation of such systems wherever they could function usefully.

More emphasis should be placed on cost accounting techniques and interpretations in the prescribed course of training for student C.A.s.

The public relations efforts of the various institutes have not succeeded in doing all that you might have hoped for in bringing about an increased awareness in the business community and a fuller understanding of the high qualifications of chartered accountants generally in fields other than straight audit and taxation work.

In all professional fields there is a tendency to be too technical. Technical language is readily understood by one's colleagues but immediately one leaves that circle, technical language becomes a sort of mumbo jumbo which is quite foreign to and quite difficult for the layman to understand. In dealing with industry, or with business in general, the accounting profession should make a serious effort to bring simplicity into all its reports, all its forms, all its statements.

* * *

Government

WATSON SELLAR, Auditor General of Canada.

Public administration is big business — approaching seven billion dollars. My thirty years in the public service have taught me that "bigness" has very real limitations, and that practical considerations, rather than logic, provide the better yardstick when planning the provision of public services.

You, as commercial auditors, are accustomed to controls pivoting on the profit motive. In government, rarely may the value of a public service be computed by a comparison with the revenue it produces. For that reason, no group of workers is subject to so many minute controls as is the Civil Service. These checks and balances are planned to safeguard against human frailty in judgment and to make certain that civil servants never forget that some minister is ultimately answerable to Parliament for every act done in the name of the Crown. Individualism is not an attribute nurtured in public administration.

The House of Commons is the guardian of the key to the money chest; not a cent may be spent without legislative consent and that is the reason why there is an auditor general whose task is to observe whether Parliament's directions are respected. He, being an officer of the House of Commons, has no power either to dictate to a department or to disallow an expenditure. He may seek to persuade a department to act in a certain way, but it is beyond his power to insist that his viewpoint be accepted.

Government consists of a multitude of small transactions. For example, last year Government of Canada spent around four billon dollars, but my guess is that not more than one cheque in every thousand issued was for an amount in excess of $500. Rules must constantly hammer home the need to be careful in small things.

The amount of "paper-work" in Government disturbs many, but a great deal is unavoidable if we accept the view — and I think we should — that transactions of departments should be fully recorded and, normally, open to the scrutiny of the House of Commons. There are also those who regard it as unreasonable that the time of the Cabinet be consumed by scrutinizing routine

(Continued on page 15)

Here Are New CICA Officers

Maritime accountant, Gerald E. Martin, of Halifax, was named president of the Canadian Institute of Chartered Accountants at the 53rd annual meeting of the Institute which is being held in Toronto this week. He succeeds J. Grant Glassco, of Toronto.

Other officers are: W. Givens Smith, Regina, first vice-president; James De Lanne, Montreal, second vice-president; John L. Helliwell, Vancouver, C. K. Huckvale, Edmonton, R. W. Manning, Charlottetown, regional representatives: and T. A. M. Hutchison, Toronto, treasurer.

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CARBON PAPER: RCI inorganic chemical pigment colors.

CASTINGS: FOUNDREZ powdered phenolic resins (for the shell molding process); FOUNDREZ liquid phenolic resins and FOUNDREZ core oils (for core binders).

FURNITURE, PLYWOOD, FLOORING, HARDBOARD AND CHIPBOARD: HYDROPHEN phenolic glues; PLYACIEN protein glues; PLYAMINE urea-formaldehyde glues; PLYOPHEN phenolic and resorcinol-formaldehyde glues.

LEATHER: BECKOSOL alkyd resins (for leather finishes); PLYOPHEN resorcinol-formaldehyde resins, SUPER-BECKACITE pure phenolic resins, SYNTHE-COPAL ester gums (for leather adhesives).

LINOLEUM: BECKOSOL alkyd resins and PENTACITE pentaerythritol resins (for linoleum coatings); RCI inorganic chemical pigment colors.

PAINTS, VARNISHES AND LACQUERS: BECKACITE (1) fumaric, (2) maleic and (3) modified phenolic resins; BECKAMINE urea-formaldehyde resins; BECKOLIN synthetic oils; BECKOPOL modified phenolic resins; BECKOSOL (1) phenolated, (2) phthalic-free, (3) rosin modified, (4) pure drying and (5) pure non-drying alkyd resins; KOPOL processed Congo copals; PENTACITE pentaerythritol resins; STYRESOL styrenated alkyd resins; SUPER-BECKACITE pure phenolic resins; SYNTHE-COPAL ester gums; WALLKYD pure drying alkyd resins (for alkyd flat wall vehicles); WALLPOL vinyl-type copolymer latex emulsions (for latex flat wall coatings); RCI inorganic chemical pigment colors.

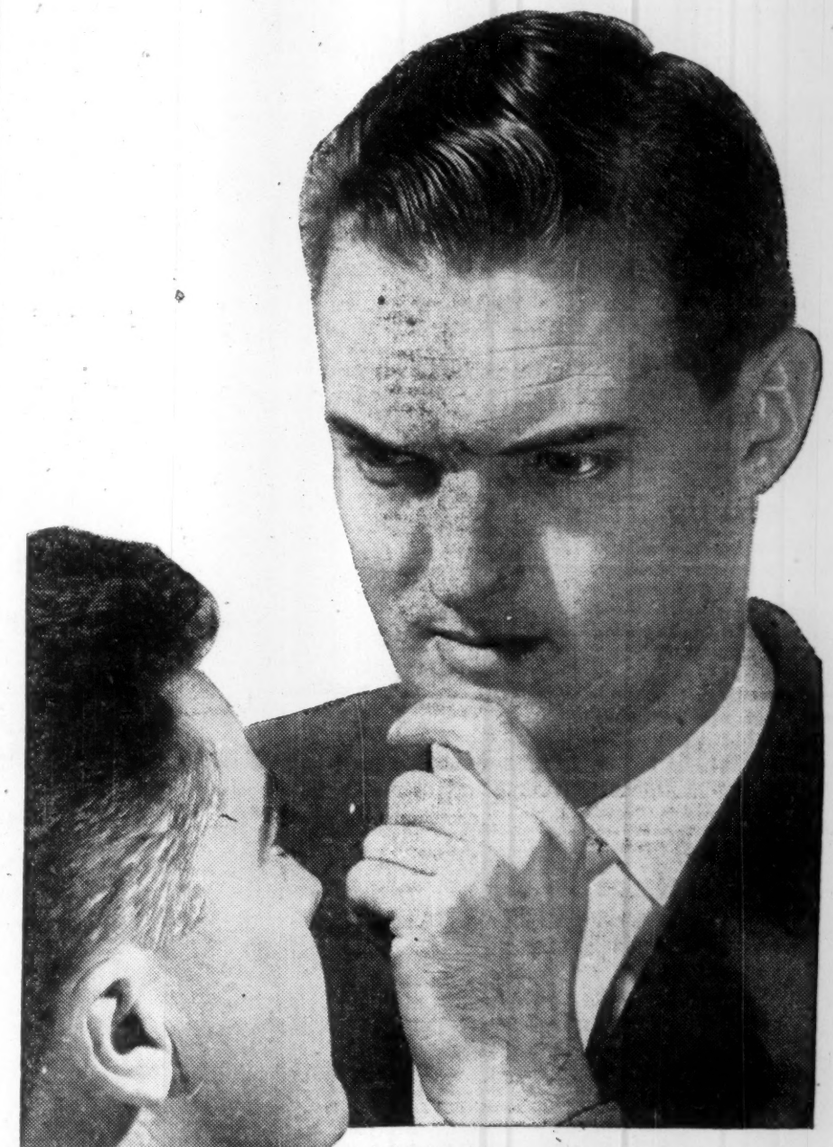
PAPER: BECKAMINE urea-formaldehyde resins (for adding wet strength, improving the wet rub of starch-clay coatings, and waterproofing starch adhesives); RCI inorganic chemical pigment colors (for paper coloring); STYRESOL styrenated alkyd resins (for paper coating).

PRINTING INKS: BECKACITE fumaric, maleic and modified phenolic resins; BECKOLIN synthetic oils; BECKOPOL modified phenolic resins; RCI inorganic chemical pigment colors.

TYPEWRITER RIBBONS: RCI inorganic chemical pigment colors.

WAXES AND POLISHES: BECKACITE modified maleic resins; SUPER-BECKACITE pure phenolic resins; SYNTHE-COPAL ester gums.

RCI



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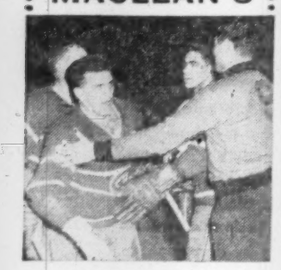

The Richard Hockey Riot

Frenzied mob violence turned downtown Montreal into a madhouse last St. Patrick's night. The apparent cause was Clarence Campbell's suspension of Maurice (The Rocket) Richard, idol of Quebec. But was it a race riot in disguise? Here, for the first time is the complete background story by Sidney Katz.

Read the new
MACLEAN'S

Priscilla Wright's story

What ONE SONG can do

Here's the fairy-tale success story of a 15-year-old singer, and a new immigrant who wants to be a writer. The girl is Priscilla Wright of London, Ont.; the man is Warwick Webster late of London, Eng.; the song is "Man in a Raincoat," the greatest hit Canada has produced. Read Eric Hutton's intriguing tale of how it all happened in Maclean's.

Read the new
MACLEAN'S

Come inside an Edmonton schoolroom and see

How a "Progressive" Teacher Works

Is present-day schooling giving pupils a better, richer education? Or is it producing a generation of frustrated teachers, puzzled parents and mixed-up kids? Maclean's assistant editor, Robert Collins, decided that he'd better find out. Here's his report written from inside a classroom in Edmonton, Alberta.

PLUS

- **THE MADDEST 3 DAYS OF FISHING**
  A lively report from Wedgeport on the International Tuna Tournament with color photos
- **ANYBODY EATS HERE FREE**
  Joan Doty tells how Toronto's Scott Mission gives away free 130,000 meals a year
- **THE MAGIC LIFE**
  First Prize in Maclean's Short Story contest. Written by Anne Maude Henry of Winnipeg
- **And many other articles stories and regular departments**

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Union Wars Threatening Over CCL-TLC Merger Plan

(Continued from page 1)

Ottawa meetings of representatives of the two union organizations — TLC and CCL, The Post is informed.

Now A "Catch-All"

He took this position because of the demands of the merger workers that UMW "stick to mining." This edict hit Barrett at home. His District 50 is often called the "catch-all" of the Mine Workers.

An interesting sidelight on the orders to Barrett is that they come from A. R. Mosher, president of the CCL, and ambitious UMW official Donald MacDonald who is also secretary-treasurer of CCL. The political gossip of organized labor puts MacDonald in line for the top job of secretary-treasurer with the new Canadian Labor Congress.

District 50 comprises 49 locals in six provinces. Bulk of its membership is in the chemical field with emphasis on plants of Canadian Industries Ltd. In addition its membership includes people working in the plastics field, glass, construction and stevedores.

Liquid Carbonic, National Drug and G. H. Woods & Co., could also be affected if the UMW sticks to its decision to stay outside the new Canadian Labor Congress. District 26, in the Maritimes, and district 18 in Western Canada, consist of coal miners.

Barrett was told that he must give up jurisdiction in the chemical industry to the combined TLC-CCL, Oil and Chemical Workers union and leave other unions free to take over other parts of District 50.

His decisioin was based on the fact that he had directed organization of District 50 in Canada since John L. Lewis, head of UMW in the U. S., decided to push it into Canada in 1944.

UMW policy is to step into vacuums created when other unions stayed out. Membership of District 50 has appreciated this and labor leaders expect they will stick with Barrett.

Raiding Stage Set

The result would be wholesale raiding tactics against District 50 locals, particularly by the Oil and Chemical workers organization. This raiding program is already being lined up. It will be designed to induce present members of District 50 to leave the UMW and join the Canadian Labor Congress affiliates.

First switching attempts are expected to be made in CIL plants. The big push won't come for some time, it is expected. At least until the UMW has more firmly declared its stand.

This will also depend on what John L. Lewis has to say regarding the merger in the U. S. Barrett, so far, is reflecting Lewis policy. The UMW in the U. S. is not going along with no-raiding pacts and Lewis is showing considerable aloofness toward the idea of a merger. He too would have to give up his District 50 in the U. S. if the order went out that UMW must stick to the mining field.

UMW representatives, in fighting attempts to force them to concentrate on mining, points out that the Steelworkers union also has a catch-all policy. Steelworkers has jumped into Canadian mining.

Most recent example of UMW's wing-spreading occurred in stevedoring. The Supreme Court of Canada ruled that stevedoring is a federal matter, rebuffing an attempt by UMW to organize workers in this field under Ontario law. This entry into stevedoring by UMW hits directly at the AFL-TLC Brotherhood of Railway Clerks.

Also irking other unions is District 50's expansion plans in the building trades which have long been the preserve of the Trades and Labor Congress.

These moves are part and parcel of the UMW organizing theory to pull workers into organized labor by industries rather than by crafts. It hits directly at the AFL-TLC — formerly considered craft groups.

John L. Lewis was a founder of the CIO in the U. S. when he split with the AFL over this theory. Lewis' union now is an independent in the U. S. although the Canadian end is affiliated with the CCL.

A possible result of the growing friction in organized labor over the merger program is formation of another new group. The Carpenters and Teamsters unions in the U. S also are showing considerable hesitancy and opposition to giving up any right to broaden their activities, even if they overlap into other unions' fields.

A pooling of manpower in Canada by UMW, Carpenters and Teamsters would make a group of 125,000 workers. These three organizations are keys to operations of a large chunk of Canadian industry. In an inter-union dispute the carpenters could affect construction, the teamsters could slow industry by holding up deliveries of goods and District 50 of the UMW could step into any field.

Veterans of labor infighting predict that should this occur, wildcat strikes will pop out everywhere in disputed jurisdictions. And, the Canadian Labor Congress with its vast resources from close to a million members would have the advantage.

But John L. Lewis has led his UMW through many a successful battle. Unless there is some sawoff at the forthcoming CCL convention starting Oct. 10, preliminary skirmishes for control of large chunks of District 50 membership will probably start early in the new year.

Will Ventures Philosophy Be Changed By Anderson?

(Continued from page 1)

various political and civil service positions (Texas Assistant Attorney General, State Tax Commissioner, Unemployment Insurance Commissioner).

As yet, Mr. Anderson has not revealed any plans for taking up residence in Canada.

Since last March, Ventures shares have moved up from $22 to sell at over $47. New York buying, at least latterly, has undoubtedly played a large part in the rise. There have been unconfirmed reports that the General Motors-Dupont people have participated in the New York buying.

Mr. ANDERSON

What Anderson turns out to be —"a Lindsley boy" or new boy—will be a matter of continuing interest for the Canadian mining industry.

Mr. Lindsley, retiring president, is scheduled to become chairman of the board with a special shareholders' meeting to be called for the purpose of creating that position.

UAW, GMC Sparring Over

(Continued from page 1)

which are in dispute in the present negotiations are the type which can be settled between Canadian officials on both sides. GAW is the area of dispute where the U. S. help is needed. With the U. S. experts present, it is expected that GM will make some concessions here.

However, if GM Canada settlement at all follows the U. S. pattern, the company will likely want another long-term contract. The agreement which ran out last April extended for five years.

Another long-term contract will involve a hard-selling job for the UAW negotiating teams. Even a three-year term is expected to meet stiff opposition from Oshawa plant rank and file.

The five-year contract has been a bone of contention in Oshawa and was one of the factors behind a swing in leadership to the present group and a refusal of the Oshawa local to participate in the "master" settlement. That is why the slightly ludicrous situation of two separate sets of negotiations running at the same time has occurred.

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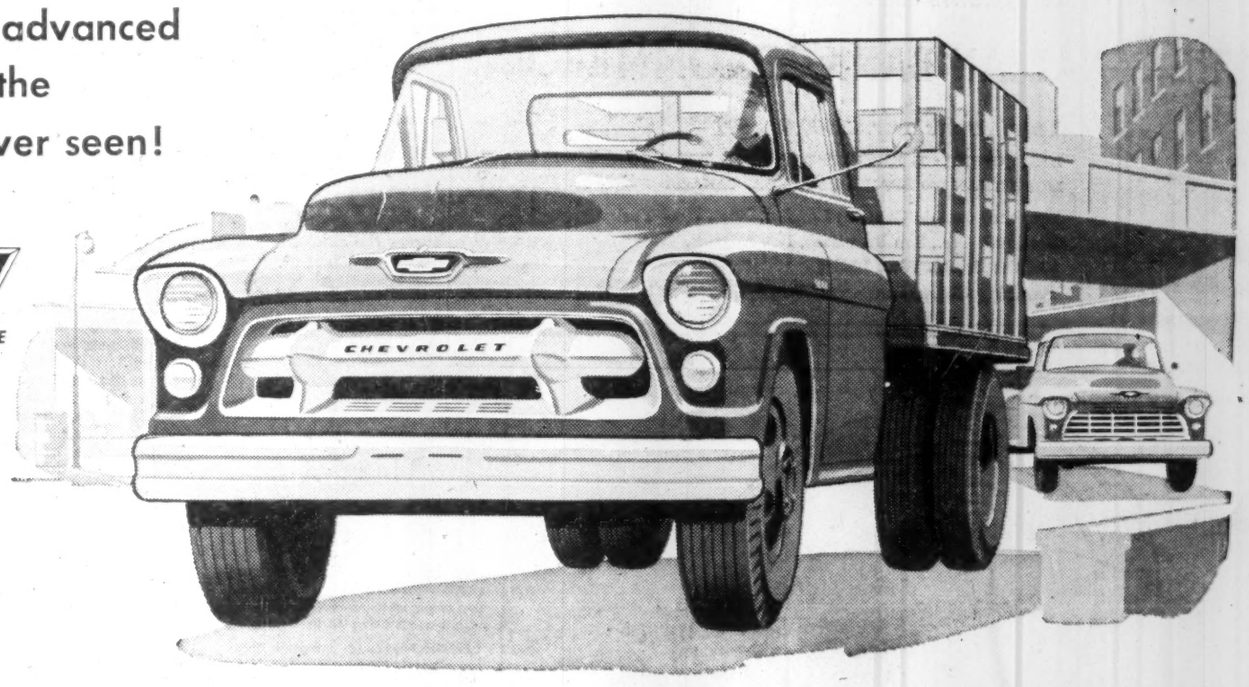

Only new Chevrolet *TASK FORCE* Trucks bring you all these truly modern design and engineering features *today!*

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And they're the money-making, money-saving advantages that ask this question: *Can you really afford not to make your next new truck a Chevrolet?* Judge for yourself!

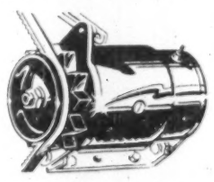
Beginning with Work-Styling, an entirely new development in truck design. For the first time in any line of trucks, Chevrolet brings you two styling treatments. Two distinctively different designs—one for light- and medium-duty models, another for heavy-duty jobs — both clean-lined and modern to the smallest detail. Here is styling with a meaning. Styling that's matched to the model and the job.

The latest in cab comfort and safety. Inside you can count on the same ultra-modern touch—softer seat action that reduces driver fatigue, a new instrument cluster that can be read at a glance, and more durable construction throughout. The new Flite-Ride Custom cab features the extra comfort of a foam rubber cushion and harmonizing two-tone inside. Outside, bright metal moldings and new two-tone color options. Custom cabs set whole new standards for comfort and convenience.

New concealed Safety Steps. Running boards are ancient history now. Chevrolet's new Safety Steps are out of sight with the doors closed. That way, snow, ice or mud can't collect to cause accidents. Safety Steps are lower, too, for easier entrance.

New panoramic windshield. The windshield alone has 1000 square inches of safety glass to give you a wider, virtually unobstructed view of the road — and there's more glass area all around. A new glass-guard molding completely surrounds the side windows, reducing possibility of breakage. A wide-view wrap-around rear window is available as an extra-cost option.

Fresh air in all kinds of weather. With Chevrolet's new High-Level ventilating system, air is drawn in through louvers at cowl level. That means air is constantly circulated through the cab, regardless of disagreeable weather conditions.



High-Voltage power starts you quicker. You really have it modern under the hood! All New Task-Force engines are sparked by a hefty 12-volt electrical system. Quicker starting, even on cold mornings, is one big advantage. Increased generator capacity is another. The high-compression power of these great valve-in-head engines keeps you running longer between gas stops. Here's performance that cuts operating costs and shaves valuable time from your schedules!

Tubeless tires standard on ½-ton models. Pickups, panels, Suburban Carry-alls—all models in the ½-ton class now come with new tubeless tires. Here's greater protection against blowouts.

Every Power Helper in the book. Power brakes, for example — a big help in reducing driver effort while increasing safety — are standard equipment on heavier models, an extra-cost option on others. The new handling ease of Power Steering, another extra-cost option, cuts turning effort up to 80%. There's new gas-saving Overdrive, as an extra-cost option on ½-ton models . . . and truck Hydra-Matic — ideal for stop-and-go city hauling — available at extra cost on ½-, ¾-, and 1-ton jobs. They're worthwhile extra-cost helpers that can save you a lot of time and money in the long run.

The New Cameo Carrier. Sports model of the truck field — designed with special jobs in mind! Long and low, with smooth, fleet lines, here's the Custom pickup that may well create a whole new class of truck owners!

And the final touch. Color! New colors and two-tone combinations add the final styling touch to these great new trucks. Your selection is wider than ever before. Choose the color combination that best matches your job, that best calls attention to you and your business. That way you'll be taking full advantage of the advertising value of your new Task-Force model.

One final word. When the time comes to trade in '55 models, the man without a really modern truck stands to take a good-sized loss. Come in and see us soon.

Chevrolet
Year after Year
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CT-1155B

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ANNOUNCEMENT

ALEX. B. VASEY, C.P.A.

who is returning to the practice of accounting, is now announced to be in association with F. H. Rabnett, C.P.A. and J. H. Myatt of Owen Sound. According to the announcement Mr. Vasey will become a senior partner in the firm of Rabnett-Myatt & Company under the new firm name of Rabnett, Vasey, Myatt & Company, Accountants and Auditors; and also in the firm of Rabnett, Vasey & Company, Certified Public Accountants, with offices at 908 Second Avenue East, Owen Sound, Ontario.

A founder of a well known firm of Toronto accountants, Mr. Vasey has a wide and diversified experience in industrial and commercial accounting and a broad background of experience in industrial management having been in recent years an officer and director of many Canadian companies. Amongst other appointments Mr. Vasey was formerly Executive Vice-President of Modern Tool Works Limited, Toronto, President and General Manager of Waterous Limited of Brantford and its subsidiary operations in Quebec, Alberta and British Columbia and more recently General Manager of King Building Materials Limited of Oakville and Cooksville.

ANNOUNCEMENT

MAJ.-GEN. H. F. G. LETSON

GORDON M. LETSON

L. C. JOLIVET

Appointment of Gordon M. Letson as President, is announced by Letson & Burpee Limited of Vancouver, manufacturers of industrial machinery for more than 60 years. He succeeds Major-General H. F. G. Letson, C.B., C.B.E., M.C., E.D., B.Sc., Ph.D., LL.D., who remains as a Director, and continues active association with the company. L. C. Jolivet, active in Western industrial circles since 1939 and President of Christopher Lawrence Limited, joins Letson & Burpee as a Director, and Sales Manager.

Tempo Quickens On Retail Front

(Continued from page 1)

furniture and home furnishings.

Gross national product has been hitting record levels. Second quarter GNP was 4.2% higher than the first quarter this year and 9.5% higher than the second quarter of 1954. Indications are that it is up again for the third quarter — a 1% increase over the second quarter figure and no gain for the fourth quarter would give a $26 billion figure for the year or an increase of $800 millions over 1954.

Few Credit Troubles

Finance companies and retailers agree that credit conditions are good with plenty of money available to finance consumer credit. And bank loans, despite the fact that they were running at $4,338 millions at the end of August, an increase of $290 millions since Sept. 1 last year, are considered largely offset by the more than 5% increase in production since the first of the year. Added stability: Personal savings are running at about 4% of income, up 1% from last year and the roughly 65-35 ratio between cash and credit sales is being maintained.

Dwelling units under construction as of June 30 totaled a whopping 75,684 compared with 64,262 in 1954 and 62,791 in 1953. This has meant big sales of materials, room for more new families to be formed and a push up in employment. It also means 75,684 new markets for appliances and furniture, aluminum windows, hardware, mops, brooms or garden equipment.

Hardware Sales Strong

Reflecting the building boom construction materials and hardware are among the strongest lines. Summer sales held steadily higher than 1954 totals this year and the fall building rush is expected to sweep shelves bare. Already many lines are on back order with deliveries taking two to six weeks.

Appliances, despite sharp competition, are selling up to 15% ahead of last year. Indications are that this year will be one of the best since the lush postwar years. Prices are expected to hold fairly steady until early spring, largely because of import competition.

Clothing sales are generally reported good although they are down slightly in some Prairie centres. Most popular items are children's clothing and work clothing with good demand also reported for low and medium price fall suits and dresses.

Shoe retailers are hopeful for better fall sales than last year to offset light sales in the spring and summer.

Good fall trade is forecast for jewelry and accessories after summer sales that were about the same as last year. First reports estimate a rise of at least 5% over last year.

Also boosted by new home construction, furniture and household furnishings are continuing strong with big demand forecast for the fall.

Department stores, already showing sales increases each month in practically every province over last year's totals, report no slackening off of business.

Here is the retail outlook by regions:

Atlantic Provinces: Record school enrollment of some 101,000 has given Newfoundland retailers the biggest back-to-school sales in the Island's history. For fall business generally, the prospects are excellent with heavy buying reported already under way. Adding to the totals is the annual job of supplying winter-bound northern areas. Reflecting the prosperity is the mushrooming growth of supermarkets in St. John's, inland lumber towns and at several fishing ports.

New Brunswick retailers report the best season in years. Helping sales have been extensive provincial highway construction programs, private building and mining development in several areas in the province. Strong items include television sets, women's and children's clothing, school supplies, hardware, home furnishings and jewelry.

Quebec and Ontario: Increases in lines from clothing to electrical appliances are reported in the central provinces so far this fall. Most retailers expect the upsweep, started during the summer in many goods, will continue right through to Christmas.

Biggest demand is for clothing and appliances, reflecting the back-to-school and home-from-the-cottage markets. Inventories are currently being rounded out for the fall push but good clearance is anticipated by most retailers. Installment buying is on the rise but is not believed at excessive levels.

Helping sales is record-breaking industrial and home building expansion through the area. Employment is up and consumer spending close to 10% higher than last year.

Prairies: Sales and inventories of fall merchandise are both up over last year. High hopes for bumper crops are helping to boost spending.

In Winnipeg, merchants report back-to-school spending came in a rush this year and was at a slightly higher level than 1954. Clothing is off 5-10% so far due to summer heat but an improvement is expected with cooler weather. Price promotions and sales are being pushed by the larger stores with prices down from last year in some lines.

Saskatoon back-to-school business is up about 10%, partly the result of increased student enrollment. Inventories are slightly bigger than last year in anticipation of better sales.

From Regina come reports of some anxiety among merchants about slow movement of grain crops which may cause further pressure for credit and installment buying. Back-to-school sales, however, are reported good. Sales generally, running a little behind last year, are expected to pick up for fall buying.

Edmonton area business is well up and running at a level comparable to the $9 million increase on sales for June this year compared with 1954. Most merchants say they are not too worried about grain carry-overs since even wheat on hand means purchasing power for the future.

Prices are reported running slightly weaker, mainly the result of stiff competition.

British Columbia: Retail sales were almost 10% ahead of last year for the first six months and are estimated continuing at the same clip through the fall. The increase is largely the result of booming internal trade in the province with construction, insurance, gasoline, electric power, mineral production and timber industries all reporting good to excellent business.

These debentures having been sold, this advertisement appears as a matter of record only.

New Issue

$7,000,000

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Debentures dated September 15, 1955

$3,000,000 3¾% Six Year Debentures to mature September 15, 1961

$4,000,000 4¼% Fourteen Year Debentures to mature September 15, 1969

(Non-callable before September 15, 1961)

In the opinion of Counsel, these debentures will be:

(a) eligible for the investment of Trust Funds by Trustees in the Provinces of Quebec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia, and

(b) investments in which the Canadian and British Insurance Companies Act states that companies registered under Part III thereof, may, without availing themselves of the provisions of sub-section (4) of Section 63 of the said Act, invest their Funds.

Trustee: Administration and Trust Company

A Prospectus will be furnished promptly upon request.

We, as agents, offer these debentures subject to prior sale, if, as and when issued by Crédit Foncier Franco-Canadien and subject to the approval of all legal details by our Counsel, Messrs. Geoffrion & Prud'homme, who are also Counsel for Crédit Foncier Franco-Canadien.

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THE *Country* GUIDE

Why is THE *Country* GUIDE Going CANADA WIDE?

The Country Guide has announced the purchase of the Canadian circulation of the U.S. monthly farm journal, Country Gentleman. The addition of these new subscribers to The Country Guide will make it Canada's first nation-wide monthly farm magazine.

The purpose of this expansion is to provide advertisers with more coverage of rural Canada at a reduction in cost. It will enable advertisers to **reach** and **influence** this market in the most economical manner.

It also will promote the unity and welfare of the agricultural industry. Within the next 25 years the population of this country may increase as much as 100 per cent. The agricultural industry must expand to provide the food that will be needed.

A Dynamic Rather Than a Static Plan

The Country Guide had reached the practical circulation saturation point in western Canada. In 1954 its coverage of western farm families (on farms and in places up to 5,000 population) was 70 per cent. To add a lot of fringe circulation; to use contests and premium offers and any form of excessive pressure to obtain and maintain more coverage than this would be uneconomic both for the publisher and the advertiser. Without such methods our circulation in 1954 was almost three times that in 1924. Advertisers, too, have expressed their approval by the use of more space.

A.B.C. Circulation

1924	75,000
1934	130,000
1944	170,000
1954	214,000

(Advertising cost per home increased less than 12 per cent in this same period)

Advertising Linage

1942	171,994
1944	255,182
1946	314,369
1948	341,281
1950	346,282
1952	352,552
1954	360,636

For some time through research and various tests we have studied the idea of serving the farm market across Canada. One test which began in 1948, included increasing our circulation in Ontario and checking the rate of renewal. The results shown were secured without special effort. The renewal rate compared favorably with western Canada.

Ontario Circulation

1947	4,321
1949	7,260
1951	15,036
1953	18,437
1955 (June)	19,315

Progress . . . A Compelling Force

Within a rapidly expanding Canadian economy farm mechanization, rural electrification and the agricultural sciences are causing profound changes in farm production and rural life. Changes so significant place an obligation upon farm organization leaders and on agricultural journalism to provide sound and courageous leadership. The Country Guide accepts that obligation in the larger Canada-wide field. It recognizes not merely the responsibility, but the need and the type of service it must render.

Since Confederation and the construction of a transcontinental railroad many industries and individual companies have become national in scope. More and more, farm policy has become a Federal Government responsibility. Numerous provincial farmer organizations are now united into the Canadian Federation of Agriculture. Over 3,000 university-trained agriculturalists who are doing scientific research or giving expert leadership in all ten provinces are united in a national organization, the Agricultural Institute of Canada.

It is logical therefore that there should be a publication also nation-wide in scope which can serve as a medium of expression, a source of inspiration and information for all these groups.

An Opportunity "Made to Order"

From every standpoint the purchase of Country Gentleman's Canadian circulation was the ideal way to expand. Over 70 per cent of these subscribers live in farm or small town homes (A.B.C. Publisher's Statement for six months ending December 31, 1954, shows 31 per cent R.F.D., 34 per cent to post offices under 500 and 7 per cent under 1,000).

More for the Advertiser's Dollar, More for the Reader

For the Advertiser—This move enables The Country Guide to reduce slightly the cost of advertising space. Our advertising rate has not been increased since January, 1952. For 1956, in spite of higher labor and paper costs, we will be able to keep the cost per home slightly below current levels. Until the end of 1955 advertisers will be given a bonus of more than 50,000 extra circulation. Within a few weeks, after any and all duplication has been eliminated from our circulation list, a breakdown of total circulation by provinces will be available. Meanwhile a map has been prepared showing basic data on the Canadian farm market by regions.

For the Reader—The Country Guide's editorial program is a four-fold plan based on (1) the general objective that "Better farming today means better living tomorrow." (2) Emphasis on practical and human interest material. (3) Both sides to be presented on all controversial matters. (4) Constructive criticism of all matters of policy affecting agricultural and public welfare.

The eastern provinces of Canada will be given adequate editorial coverage, with a resident editor in Ontario and a number of qualified contributors. H. S. Fry, editor (and Past President of the Agricultural Institute of Canada), Amy J. Roe, Household Editor, together with their associate editors, their regional assistant editors and contributors, plan to produce a monthly farm magazine that will be enthusiastically received by all its readers from coast to coast as well as by all advertisers who serve or supply the agricultural industry across the nation.

THE *Country* GUIDE

WINNIPEG • CANADA

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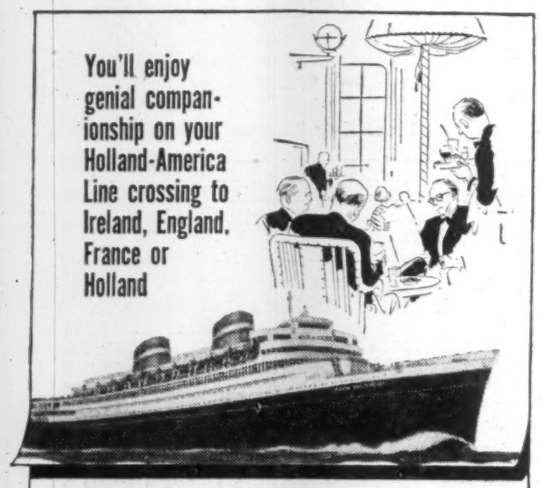

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POST TRAVEL BUREAU

Where to go – how to go – where to stay

THIS HISTORIC Spanish Wishing Well surrounded by palm and banana trees in the patio of San Juan's city hall, is a favorite meeting place for sightseeing vacationists in Puerto Rico.

Twin Cultures Mean Unique Holiday

Puerto Rico Has Modern Comfort and Old World Charm

There is a corner of the United States where the native language is Spanish. While English is spoken in every part of Puerto Rico, the island's culture has been inherited from the Spanish buccaneers of the fourteenth and fifteenth centuries.

Every visitor is impressed by the happy mingling of Puerto Rico's different influences. There are old forts such as El Morro, La Fortaleza and San Cristobal in San Juan. There is the church of San Jose and the lovely cathedral of San Juan Bautista where lie the remains of Don Juan Ponce de Leon who sought in vain the Fountain of Youth.

There are narrow cobbled streets, grilled balconies, Spanish songs and customs and Latin-American dance music.

But there is also a tremendous Americanization process going on. Since a farming economy, by which the island lived until the end of World War II, cannot support its dense population, a tremendous effort is being made to attract industry. In order to tempt business from the mainland, the Government guarantees absolute exemption from income and property taxes up to June 30, 1959, for new industries in certain categories.

These include textiles, pottery, handbags, radio and television parts, bamboo furniture and others. In addition, there has been government assistance in share-risk financing, plant construction and personnel. The result has been most marked in San Juan which has become a split-personality city — a booming metropolis on the one hand, and a quaint, sleepy Spanish colonial town on the other.

Tourism Still Rules

Part of the business-spreading scheme is focused on tourism. Much is being done to make visitors comfortable, to provide good food, good wine, comfortable beds and good entertainment. Since the number of tourists is increasing so rapidly, most of the larger hotels in San Juan and many of the humbler ones in other parts of the island are extending their facilities — adding more rooms, building swimming pools, putting up cabins, etc.

The capital city, San Juan, boasts many excellent luxury hotels. The rates vary from $6 to $17, single, for European Plan. Cheaper accommodation may be found in guest houses.

Excellent night clubs, restaurants and bars are to be found in both the old and new sections of the city. For native color, and for native food (Spanish) or other European dishes, go to the old section.

Further evidence of the tremendous expansion of San Juan is to be seen in the new $15-million International Airport. Geared to handle as many as 60,000 passengers a month, it greatly facilitates the heavy traffic that lands and takes off each day. Approximately ten hours by air from Toronto, the fare is $171 return, tourist, or $223 first class. Travel by boat is difficult to arrange, but it is possible to go by freighter which will carry 12 passengers.

The average traveler makes San Juan his headquarters with its cabaña clubs, sports facilities, restaurants and with a famous crescent beach, lined with coconut palms only a short distance away at Luquillo. Puerto Rico is very beautiful, with mountains, valleys, forests and beaches. Networks of fine new highways lace the 100-by-35-mile island, winding up over mountain ranges.

Car rental agencies offer attractive "package deals" that enable groups of visitors to explore the island by private car at their own pace, at relatively low cost. Most of these arrangements include car rental, gas, oil, insurance, hotel reservations, breakfast and dinner each day. A typical daily cost for two people is $67. Unit cost is less for larger parties.

The Circle Tour

A particularly popular outing is a circle trip to El Yunque, a saddle-backed mountain, 3,400-ft. high and surrounded by luxuriant jungle growth and tropical rain forest where the exceptional heavy rainfall makes the trees grow to enormous heights. Ferns grow as high as normal trees; there are approximately 50 varieties of orchids and many other rare plants found here.

From the mountain's highest point a visitor has a spectacular view of the surrounding countryside. A pleasant, rustic resort is located at the top where visitors have their choice of two beautiful freshwater swimming pools, fed by mountain streams.

A central lodge serving as restaurant, lounge and bar, provides the nucleus of the area and there are a score of well-furnished concrete cabins scattered along jungle trails nearby. The climate is cooler there, and guests are advised to take warm clothing.

A drive through the countryside reveals the real Puerto Rico. You will see a thriving agriculture and growing bananas, pineapple, tobacco, sugar cane, coconuts and coffee. The large plantations look prosperous and at the same time make picturesque backdrops for cities that date back to the days of the early Spanish settlers.

Ponce, Puerto Rico's second largest city, is full of cathedrals and old houses — fine examples of Spanish architecture, and is particularly colorful in the evenings when horse carriages appear in the plaza. These carriages may be hired for leisurely rides around town.

A little northeast of Ponce are the peaceful Coami Springs whose mineral waters have been used as a spa since colonial days. It is a unique resort, and Spaniards as well as tourists gather there. Nearby is historic San German.

En route to Ponce, one should stop and take a night excursion on Phosphorescent Bay at La Parguera. With its sparkling phosphorus-laden water the bay is becoming one of the top attractions on the island. It is charming by day, but at its best on a dark night.

University Town

Mayaguez, centre of the needlework industry and the home of the agricultural experiment station and other branches of the University of Puerto Rico, is an interesting place to explore, as is Arecibo, venerable town of the Spanish Conquistadores. Now the home of one of the most modern rum distilleries in the world, Arecibo is also the site of Indian caves and some of the few remaining traces of the original inhabitants.

There are attractive, comfortable hotels or inns of varying but moderate prices at all these spots, as there are at some of the small "hideaway" places. There is a delightful little mountain top hacienda-style resort at Aguas Buenas, less than an hour's drive from San Juan. The Borinquen Country Club on the promontory overlooking the Atlantic, not far from the place where Columbus landed in 1493, is a charming place at which to stop.

Small islands off the coast provide wonderful retreats for day-long picnics and sunbathing. Tennis, golf, swimming are popular in Puerto Rico, and wherever you go, there are bound to be facilities near at hand. Deep-sea fishing is popular too; there is an abundant supply of game for the fisherman to lure.

With its combination of old-world charm, and new-world bustling industry, cleanliness, efficiency and ultramodern architecture, Puerto Rico is an interesting place to visit.

It has a romantic past but is on the verge of an exciting future.

Will Manitoba Government Raise Tax on Brewery Profits?

From Our Own Correspondent

WINNIPEG — In submissions still to be presented to the Manitoba Government, the Bracken Liquor Inquiry Commission is expected to examine the profits of Manitoba breweries and recommend new taxes on earnings.

No official word has been issued by the Commission itself, but reports to this effect have come from reliable government sources.

The Commission's central recommendations were presented to Premier D. L. Campbell Sept. 3. Accompanying them was a letter from Mr. Bracken which said that in the final report the Government could expect to find among other things, "The recommendations on several 'other matters' not included in the specific instructions to the Commission. Among these will be those relating to pricing and taxation aspects of various sections of the trade including brewers and retailers."

In its initial submission the Commission recommended that the Government undertake a comprehensive program for the prevention, treatment and rehabilitation of alcoholics under an organization to be known as the "Alcohol Research & Rehabilitation Foundation of Manitoba," the cost to be borne 80% by the Government and 20% by voluntary contributions.

The Commission also recommended that the Government undertake a vigorous educational program concerning alcoholism, directed at encouraging abstinence among minors, and discouraging excess by adults.

The reports now circulating state that the submission regarding breweries will recommend that the Government obtain money to finance the two programs — prevention, treatment and rehabilitation of alcoholics; and alcohol education — by taxing the profits of breweries.

There was also disappointment for the breweries in the recommendation in the initial report that they be forbidden to have financial interests in any new liquor outlets established in the province.

INDUSTRIAL RELATIONS

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Check the departures that interest you and mail today for itineraries and all information.

	Date	Vessel	Days	Rate*
☐	Dec. 17	Nieuw Amstdm.	17	$470
☐	Dec. 21	Maasdam	13	$265
☐	Dec. 22	Ile De France	12	$340
☐	Dec. 22	Oslofjord	12	$300
☐	Dec. 22	Mauretania	11	$280
☐	Dec. 23	Homeric	11	$325
☐	Dec. 27	Patricia	13	$265
☐	Dec. 27	Olympia	7	$175
☐	Jan. 4	Nieuw Amstdm.	13	$330
☐	Jan. 5	Maasdam	15	$290
☐	Jan. 6	Ile De France	12	$315
☐	Jan. 6	Oslofjord	28	$550
☐	Jan. 11	Patricia	16	$325
☐	Jan. 18	Empress Scot.	20	$495
☐	Jan. 19	Mauretania	7	$185
☐	Jan. 19	Nieuw Amstdm.	13	$365
☐	Jan. 20	Ile De France	17	$480
☐	Jan. 21	Homeric	16	$430
☐	Jan. 28	Mauretania	17	$470
☐	Jan. 28	Patricia	13	$265
☐	Feb. 4	Nieuw Amstdm.	18	$495
☐	Feb. 8	Homeric	19	$560
☐	Feb. 9	Empress Scot.	20	$495
☐	Feb. 9	Ryndam	14	$290
☐	Feb. 10	Ile De France	17	$480
☐	Feb. 10	Olympia	17	$395
☐	Feb. 11	Patricia	14	$285
☐	Feb. 18	Mauretania	17	$470
☐	Feb. 24	Nieuw Amstdm.	14	$395
☐	Feb. 29	Homeric	19	$560
☐	Feb. 29	Patricia	16	$325
☐	Mar. 2	Olympia	12	$275
☐	Mar. 2	Empress Scot.	20	$495
☐	Mar. 2	Ile De France	12	$340
☐	Mar. 8	Mauretania	14	$385
☐	Mar. 12	Nieuw Amstdm.	14	$395
☐	Mar. 17	Patricia	13	$265
☐	Mar. 21	Homeric	15	$395
☐	Mar. 24	Mauretania	15	$385
☐	Mar. 31	Patricia	14	$285

* All rates shown above are minimum.

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Foreign Exchange Rates

Noon Value in Canada
Week Ended Sept. 9, 1955

	U.S.$	U.K.£
Mon.	.....	.....
Tue.	.98 20/32	2.74 5/8
Wed.	.98 20/32	2.74 4/8
Thu.	.98 21/32	2.74 5/8
Fri.	.98 22/32	2.74 6/8
Ave.	.98 83/128	2.74 5/8

U. S. rate reported by Bank of Canada.
U. K. bid rate reported by Toronto-Dominion Bank.

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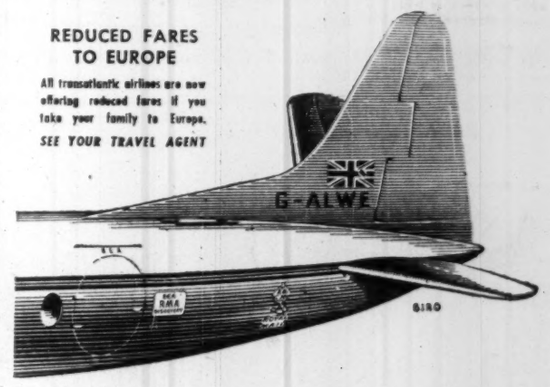

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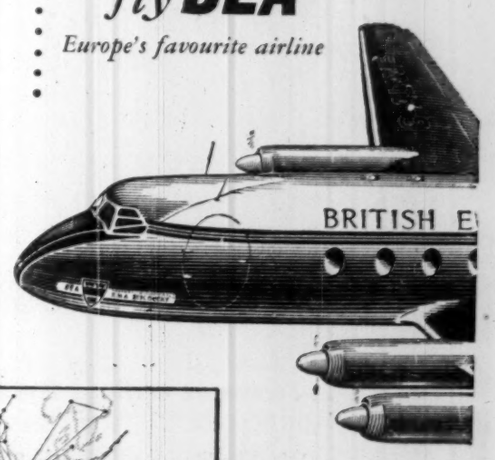

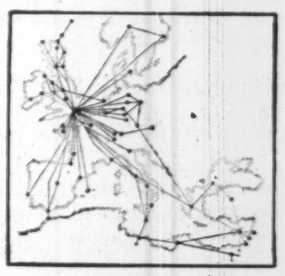

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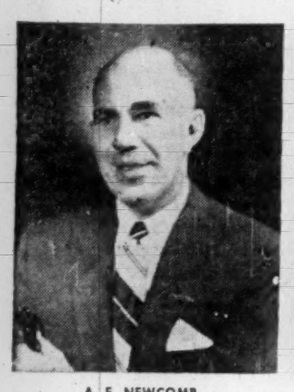
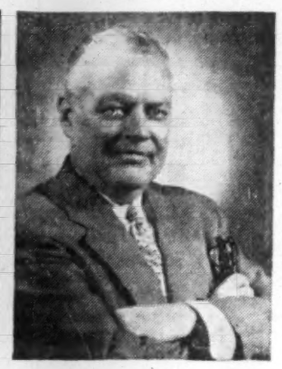
ANNOUNCEMENT



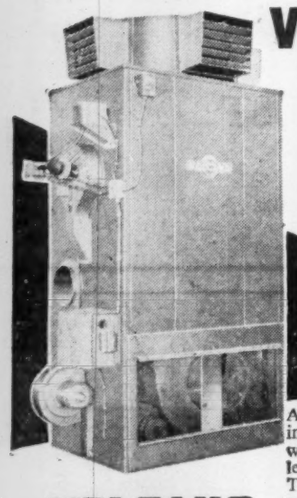
A. E. NEWCOMB



D. B. LARKE

Henry Birks & Sons Limited announce the following head office appointments:
A. E. NEWCOMB as Comptroller, and
D. B. LARKE as Assistant to the Secretary and Treasurer.

INDUSTRIAL HEAT with VOLCANAIR



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Automatic, low-cost instantaneous warm-air heating without the maintenance problems common to other methods! These are only a few of the reasons why VOLCANAIR is becoming increasingly popular as an industrial heating unit. VOLCANAIR uses either oil or gas, can easily be disconnected and set up in another location. It needs no attendant, and — however big the heating job may be, VOLCANAIR can do it! Write for our fully illustrated FREE folder which explains how you, too, can cut heating costs.

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ONE VIEW OF THE MARKET

Here Are Stocks Traded By Empire Life in 1954

Canadian life insurance companies have an investment of $80 millions in Canadian stocks. As a service to its readers, The Financial Post presents here one of a series reporting on the holdings of individual companies, as well as changes in their portfolios of Canadian preferred and common stocks last year.

Empire Life Insurance Co., Kingston, decreased its holdings of preferred stocks from 2.4% to 1.5% of total invested assets. Company maintained its holdings of common stocks at 5.6%. Stocks were carried on its balance sheet at $1,687,463 at Dec. 31, 1954 ($1,759,745 a year earlier).

During the year, in its holdings of Canadian stocks, Empire Life:

—Eliminated nine preferreds: Aluminum Co. 4%, B. C. Packers A, Canada Cement, Canadian Car & Foundry A, Corrugated Paper 5%, Dominion Foundry & Steel 4½%, Gatineau Power 5%, Price Brothers 4%, Howard Smith Paper $2.

—Added seven commons: Canadian Canners, Canadian Oil Companies, Falconbridge Nickel, Imperial Oil, MacMillan & Bloedel B, Shawinigan Water & Power, and Supertest Petroleum.

—Eliminated six commons: Brazilian Traction, Canadian Bank of Commerce, Fanny Farmer Candy, Maclaren Power & Paper, Minnesota & Ontario Paper, and Power Corp.

—Increased six commons: Aluminium Ltd., British American Oil, Canadian Celanese, Distillers Corp. - Seagrams, International Nickel, and McColl - Frontenac Oil.

—Decreased four commons: Canadian Permanent Mortgage, Canadian Westinghouse, Consumers' Gas, and Noranda Mines.

Here are company's holdings of Canadian preferred and common stocks as at Dec. 31, 1954, together with changes from the previous year:

	Shares held at Dec. 31 1954	Change since Dec. 31 1953
Preferred		
Aluminum Co. 4%	....	—500
Do. 5½%	250	....
Ang.-Cdn. Tel. 4½%	200	....
B.C. Packers A	....	—500
Can. Cement	....	—500
Cdn. Car & Fdy. A	....	—2,000
Cdn. Celanese $1.75	1,000	....
Cdn. Cottons 6%	350	....
Cent. Cdn. Inv. 5%	100	....
Corrug. Paper 5%	....	—250
Davis Leather A	300	....
Dom. & Ang. Inv. 5%	300	....
Dom. Fdy. & Stl. 4½%	....	—250
Dom. Tar & Chem.	800	....
Gatineau Pwr. 5%	....	—100
Gen. Steel Wares 5%	300	....
Imp. Tobacco	1,000	....
Imp. Varnish $1.50	440	....
Ind. Accept. 4½%	100	....
Hen. Morgan 4½%	250	....
Morrow S. & Nut 4%	100	....
Price Bros 4%	....	—400
Rolland Paper 4½%	200	....
Shawin. W. & P. 4% A	800	....
N. Slater Co.	200	....
H. Smith Paper $2.00	....	—300
South Can. Pwr. 6%	100	....
Geo. Weston 4½%	300	....
Common		
Aluminium Ltd.	2,000	+500
Brazil. T. L. & P.	....	—6,000
B.A. Oil	2,000	+500
Can. Perm. Mtge.	1,000	—500
Cdn. Bk. of Comm.	....	—1,000
Cdn. Canners	1,000	+1,000
Cdn. Celanese	1,000	+500
Cdn. Cottons	2,000	....
Cdn. Oil Cos.	1,000	+1,000
Cdn. Westinghouse	500	—500
Cent. Can. Inv.	100	....
Consumers' Gas	2,000	—1,000
Distil.-Seagrams	2,000	+900
Dome Mines	1,500	....
Dom. Fdy. & Steel	5,000	....
Dom. Textile	2,000	....
Econ. Inv. Trust	1,500	....
Fanny F. Candy	....	—125
Falconbridge Nickel	1,000	+1,000
Imp. Oil	1,000	+1,000
Imp. Varnish	500	....
Int. Nickel	2,500	+1,500
Lake of W. Mill.	1,000	....
Maclaren P. & P.	....	—200
MacMil. & Blo. B	2,000	+2,000
McColl-Frontenac	1,000	+400
Minn. & Ont. Paper	....	—1,200
Nat. Trust	2,000	....
Noranda Mines	1,000	—500
Price Bros.	1,000	....
Power Corp.	....	—500
Royal Trust	500	....
Russell Indust.	500	....
Sask. P. Line	100	....
Shawin. W. & P.	1,000	+1,000
Steel Co.	3,260	....
Supertest Pete.	2,000	+2,000
Toronto Mtge.	250	....
H. Walker-G. & W.	1,000	....

The company's invested assets at the year end consisted of 53.7% bonds, 32.1% mortgages, 5.5% policy loans, 7.1% stocks, 1.3% real estate, and .03% other. An analysis of invested assets at the end of each of the last four years shows as follows:

	1954 %	1953 %	1952 %	1951 %
Bonds:				
Government	13.1	15.8	20.8	22.1
Municipal	10.9	10.3	10.0	10.4
Other	29.7	27.7	26.6	25.8
Total	53.7	53.8	57.4	58.3
Mortgages:				
Urban	31.2	30.8	26.9	25.3
Total	32.1	30.8	26.9	25.3
Policy Loans	5.5	5.5	5.3	5.0
Stocks:				
(a) Preferred	1.5	2.4	3.2	3.6
(b) Common	5.6	5.6	5.2	5.8
Total	7.1	8.0	8.4	9.4
Real Estate	1.3	1.3	1.4	0.8
Other	0.3	0.6	0.6	1.2
Grand Total	100.0	100.0	100.0	100.0

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Airline Switches Family Fare Plan

Applications to Canada's Air Transport Board and the U. S. Civil Aeronautics Board have been filed by American Airlines for approval to change and expand slightly its family fare plan.

The airline would allow passengers to use the plan on standard-fare flights departing between noon Mondays and noon Thursdays instead of current limits: Monday through Wednesday. Under the new plan the scheme would be extended by 12 hours per week and would allow the carrier to profit from a newly developed change in peak revenue flying periods.

Previously, the family fare plan was available from midnight Sunday but the airline has found that it can now sell all its Monday morning flights without use of a promotional fare plan.

Under the promotional fare scheme, the head of a household may take his wife and children on a trip for one full fare plus a half fare for wife and each child.

Says American: "It's one of commercial aviation's most popular travel bargains. We sold 362,000 family fare tickets last year —6% of our total passengers."

American Airlines has one Canadian base: Toronto.

Manitoba Will Expand Buildings For Aged

The Manitoba Government is assessing reaction this week to its recent proposal to Manitoba municipalities that it provide financial assistance toward construction of new homes for the aged or infirm.

Health and Welfare Minister Robert Bend says the province is willing to make grants up to one third of actual costs of building or renovating such homes up to a maximum grant of $400 per bed for renovated buildings and $850 for new construction. The new plan supplements a policy of construction grants for low-rental housing for old-age pensioners announced three months ago.

Conditions under which grants will be made:

—Municipalities must recommend establishment of an institution within its borders.

—Institutions must be operated directly by a municipality or by a nonprofit agency approved by municipal and provincial officials.

—Institutions must comply with provincial standards of construction, staffing, etc., as prescribed by the Public Health Act.

FACTS ON QUEBEC (No. 14)

London, Kitchener & Oshawa — without a single electric water heater?

There are more Quebec farm homes wired for electricity who haven't been sold an electric water heater (65,000), than the total number of families In London, Kitchener and Oshawa, Ont. (Post Office — 1953)

The power companies expect Quebec farmers (with $3800 average cash income *plus* 5.5% in 1954) to buy more electric appliances in 1955 than in any previous year.

You can reach 65% of all French farm homes through Le Bulletin des Agriculteurs, largest and most thorough coverage available.

Circulation Dec. 1954 — 150,000 *net paid* A.B.C.

LE BULLETIN DES AGRICULTEURS

Montreal: 1117 St. Catherine St. W., HA. 9154
Toronto: 10 Terauley St., EM. 6-7626
New York: Billingslea & Ficke, 420 Lexington Ave.

Woodwards Plans Super Mart Will be West. Canada's Largest

From Our Own Correspondent

VANCOUVER — Woodwards Department Stores Ltd. have announced plans for a $5 million super supermarket — the biggest in Western Canada.

The huge market with a floor area on its two stories will comprise 296,000 sq. ft. of space. It will be erected on a 28-acre site in Vancouver purchased from CPR. Parking will be provided for 3,000 cars.

The area is part of a 276-acre site of undeveloped land owned by the railway company.

The supermarket will become a reality within "two or three years," a company spokesman said and will be greater than the firm's huge supermarket recently opened in South Edmonton — up till now Western Canada's largest shopping centre.

The supermarket site is surrounded by numerous housing developments in the southern part of Vancouver and large wide streets lead into it.

The remaining land on the undeveloped tract will be developed shortly with sewers, to be sold by CPR for housing. The area is presently zoned for one-family dwellings but will be rezoned shortly to allow for the supermarket as well as a number of eight story apartment buildings which will be built near the shopping centre.

Bituminous Road Finishers ready for delivery at Barber-Greene Company plant in Aurora, Illinois.

"Our credit union helps make this a better product"

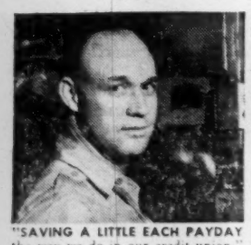
Says MR. H. A. BARBER, President of Barber-Greene Company, manufacturer of road-building machines and material-handling equipment. "Our employees have in their credit union a way to save money regularly and a place to turn for sympathetic financial help. I feel certain that the contribution this has made to the self-sufficiency and well-being of our people is reflected favourably in the quality of Barber-Greene products."

A credit union is simply a group of people who run their own borrowing and saving system under Government supervision. In this proven 100-year-old plan, members save money together to provide capital to lend each other for emergencies and useful purposes. Loans are made at low cost and savings pay good returns. *It is democracy in action — people working things out together.*

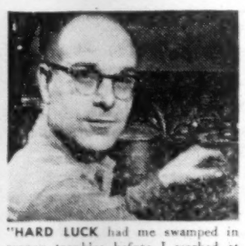
In the Western Hemisphere today, nearly 20,000 credit unions serve some 10,000,000 people. With a credit union to help workers solve personal money problems, wage garnishments and requests for advances practically disappear. Efficiency rises, unhampered by financial anxiety.

Credit unions now operate in most of Canada's best-known companies. Their promotion of thrift and sound financial habits has won their hearty endorsement by management, labor, government and church.

Clip and mail the coupon below for full information on the benefits a credit union can bring your company and your people.



"SAVING A LITTLE EACH PAYDAY the way we do in our credit union," says Willis French, "is painless, and the money adds up fast—especially with the good returns we get." Many credit unions provide the added protection of special life insurance at no premium charge.



"HARD LUCK had me swamped in money troubles before I worked at Barber-Greene," says Charles Benson. "I took my problem to the credit union when I came here. Their help got me back on my feet. It's sure wonderful to belong to a credit union."

CLIP AND MAIL

Credit Union, Dept. F.21
Box 65, Hamilton, Ont.

Please send me, without cost, complete information on organizing a credit union.

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Company Name.....

Johns-Manville Announces

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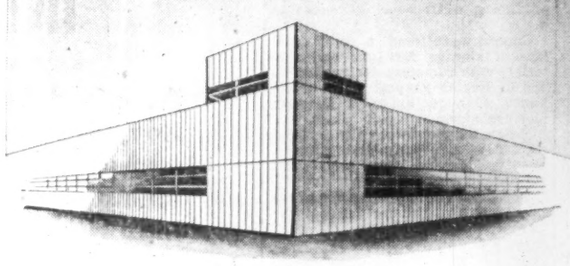

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B-468

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ANNOUNCEMENT

FENCO NAMES NEW VICE-PRESIDENTS

N. D. LEA

G. G. LEROUX

Foundation of Canada Engineering Corporation Limited of Toronto and Montreal announces the appointment of Norman D. Lea, B.A.Sc. (Toronto) and George G. Leroux, B.Eng., as Vice-Presidents of FENCO. Mr. N. D. Lea who joined the Foundation Staff in 1946 is now with the Head Office in Toronto and Mr. G. G. Leroux, with some ten years service in the Foundation Group, is with the Montreal Office.

Fast-Moving Weldwood Buys Into Quebec City

MONTREAL (Staff) — Fast-growing Weldwood Plywood Ltd., has swung into Quebec City with the acquisition of the plywood division of Matapedia Co.

The lumber holdings of Matapedia were not affected in the cash deal. Price was not disclosed. It gives Weldwood an office in Quebec City and the company intends to construct another warehouse to replace the existing one acquired.

Weldwood is a wholly owned subsidiary of United States Plywood Corp., sometimes described as the largest plywood organization in the world.

The parent firm entered Canada in 1953 with a Toronto branch. Its planned expansion began in Canada about a year ago with the acquisition of Canadian Plywoods Ltd., Toronto, which has a 25,000-sq. ft. warehouse.

Since then, this has been its growth record:

—Acquisition of Capital Plywood Ltd., Ottawa, through cash purchase. It is now operating under the Weldwood name and has a new 20,000-sq. ft. warehouse under construction for completion by winter.

—At Winnipeg, a 19,000-sq. ft. warehouse is under construction for completion this fall. The branch there is already functioning.

—Completion of a new 11,000-sq. ft. warehouse in May at London, Ont.

—Erection of a new 45,000-sq. ft. warehouse at present under way in Montreal. The company says this will be the largest plywood distributing warehouse in Canada. The office space will cover an additional 5,000 sq. ft. These will be completed before this Christmas.

Evans Products Ltd., Vancouver, with timber holdings on the British Columbia mainland opposite the northern tip of Vancouver Island, supplies Weldwood under contract. It opened a $1.5 million mill last May which has an annual capacity of 250 million sq. ft. of 1/16 in. equivalent per year and its entire output of plywood goes to Weldwood.

Products of Weldwood are fir plywood marketed under the name Fir-Ply through its six distributing warehouses in this country. These are chiefly used as structural plywoods for concrete forms in buildings and subflooring, for example.

It also obtains mahogany panels, a decorative hardwood for furniture and construction industries through Hay & Co., Woodstock, Ont., another wholly owned subsidiary of U. S. Plywood Corp. Its output in the past has chiefly gone to the parent company.

President of Weldwood is S. W. Antoville, who is also head of the U. S. Plywood Corp. Vice-president is George D. Goodfellow, who was former president of Canadian Plywoods. There is a sales staff of about 40 in the Canadian operation.

The parent firm has some 87 branches in the U. S. and has its own mills, one in the Belgian Congo. It has timber holdings in Washington, Oregon, South Carolina and California. Timber is also held by Hay & Co. to supply the Woodstock operation.

ANNOUNCEMENT

ZELLER'S LIMITED ANNOUNCES NEW APPOINTMENTS

GEORGE L. COBB

Montreal, September 13 — Mr. Walter P. Zeller, Chairman of the Board of Zeller's Limited, announces the appointment of Mr. George L. Cobb, Executive Vice-president, to the office of President and General Manager. Mr. Cobb brings to his new position twenty years of experience in the retail merchandising field.

Mr. William C. Tugman, Vice-president in charge of Merchandising, who has been associated with the Company since its foundation, has been appointed to the new office of First Vice-president.

While relinquishing the duties of Chief Administrative Officer, Mr. Zeller, who is now in his 65th year, will continue to give the Company the benefit of his advice and experience as Chairman of the Board.

how to keep your business in the family

If you are the owner of, or have an interest in a privately-owned business, there will be many problems which your executors will be called upon to face when it comes to settling your estate. Perhaps you plan to perpetuate your business in the family —you may be training your sons to take over your responsibilities.

Have you considered the amount of succession duties payable on your estate? The duties will depend on the "value" placed upon the business by Succession Duty Authorities.

Montreal Trust Company is convinced that intelligent estate planning accomplishes more for the owner of a private business than for anyone else. The prudent owner of a family business will take steps during his lifetime to meet his particular problem.

We have published a booklet, suggesting "HOW TO KEEP YOUR BUSINESS IN THE FAMILY" and will be pleased to send you a copy upon request.

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COMPANY REPORTS

Public Utilities

SASKATCHEWAN POWER CORP. net profit for the year ended Dec. 31, 1954, was $1,186,862, 42.9% higher than $830,288 in previous year.

Quantity of electricity company distributed was double that of 1950 and five times that of 1945, says Acting General Manager W. B. Clipsham. Increased uses in home and on farm, together with program of town and farm electrification are responsible for this increase and have required continued expansion of generating and distributing facilities.

Farm electrification program for 1954 had an objective of 6,500 farms; company completed 90% of it during year despite excessive rainfall and has since completed remainder. Program required considerable reshuffling of construction schedules and certain projects had to be temporarily abandoned. Farmers built about 200 farm services on a "self-help" basis with company supplying materials, skilled linemen and general supervision. This experimental method, used because of difficult conditions, proved useful and company may use it again.

Extensions to generating stations were continued; 20,000 kw unit at Estevan and a 25,000 kw unit at Saskatoon came into operation. Installation of first 2,500 kw section of new dual fuel station at Swift Current was also completed. Resulting additional capacity made it possible to carry peak loads easily.

Integration of northern system by interconnection of generating stations was largely completed with construction of a high tension transmission line from Saskatoon to North Battleford.

Power lines and distribution systems were built to supply 33 villages and hamlets which required street lights. Distribution systems for local operation were also built for four villages which are too far from existing power lines.

Distribution facilities to supply pumping power to over 150 oil wells were provided in the Centaur, Midale and Coleville producing areas.

Natural gas program included construction of distribution systems in town of Sutherland and four villages. These extensions together with additional service connections in Saskatoon and towns and villages already supplied with gas, doubled customers served by Brock-Coleville-Saskatoon systems. A 10 inch pipeline from Brock to the Coleville gas field was completed and nine producing wells were connected to it.

Company suffered a substantial loss of storage facilities and materials with complete destruction by fire of Regina general stores warehouse. Construction material, meter and transformer repair shops, and mobile equipment were also destroyed. Although considerable insurance was carried, there remained a substantial loss.

The following is a summary of the operating statistics for the last two years.

Gross rev., elec.	$11,936,233	$10,559,671
Gross rev., gas	$1,307,544	
Net kwh. distrib.	472,760,000	398,200,000
Kilowatt peak	118,320	102,300
Elec. customers	111,000	100,100
Nat. gas customers	9,432	4,749

Development Bank Loans Show Rise

MONTREAL (Staff) — Loans, investments and guarantees outstanding of Industrial Development Bank totaled $42,244,560 at Aug. 31, up $565,143 from the end of the previous month.

Disbursements to the end of August in the current fiscal year totaled $9,813,061 compared with $9,951,629 in the same period of 1954. Repayments amounted to $9,917,908 compared with $7,613,817.

Comparative statements showed:

	1955	
Assets	July 30	Aug. 31
Cash on hand & in bk.	$43,012	$21,791
Loans & invests.	41,486,211	42,034,665
Prop. held for sale	221,635	239,563
Guar. of u/w agree.	199,206	209,954
Other assets	258,052	284,790
	42,204,116	42,790,703
Liabilities		
Capital paid-up	25,000,000	25,000,000
Reserve fund	6,222,527	6,222,527
Reserve for losses	700,000	700,000
Bds. & debs. o/s	8,600,000	9,100,000
Liab. re guar. & u/w agreements	199,206	209,954
Other liabs.	1,482,383	1,558,222
	42,204,116	42,790,703

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Above rates in effect 6 p.m. to 4.30 a.m. station to station daily and all day Sunday.

Trans-Canada Telephone SYSTEM
NATION WIDE Telecommunication SERVICE

What's news at Inco?

Fleet experience suggests that savings in battery inspection, and maintenance costs are as important as the long life, temperature and power output characteristics of this new Sintered Plate Nickel-Cadmium Battery. Because this battery does not fume it can be located inside the truck cab or in the back of the bus. Once a year water is added. Holds its charge in storage. No damage if discharged. The full story is below, and should interest every fleet operator.

NEW BATTERY LASTS 15 YEARS!
INCO NICKEL PLAYS IMPORTANT PART

Designed for tough conditions, the new Nickel-Cadmium Battery is capable of successful service at 65° below zero and at 135° above. It has extra starting power and low maintenance costs. Inco aided in development of the special materials that made this remarkable battery possible.

Here are Facts About the Sintered Plate Nickel-Cadmium Battery

Ques. *Will it operate in extreme cold and heat?*

Ans. Types are available which will start an engine at 65° below zero F. Can be charged at 65° below zero F. These batteries will not freeze until the temperatures drop below 75° below zero F., and will not be damaged even if they *are* frozen. At the other extreme these batteries will operate successfully at temperatures as high as 135° F. without damage to the battery.

Batteries are compact because thin, flexible nylon and plastic separators are used.

Ques. *What type of battery is it?*

Ans. The new Nickel-Cadmium Battery is an alkaline battery, employing potassium hydroxide, rather than acid, as the electrolytic compound.

Ques. *What is the Nickel-Cadmium Battery suitable for?*

Ans. The Nickel-Cadmium Battery can be used in any type of service where the conventional type of storage battery is employed. *No modification of the charging system or of the electrical system is required.*

Ques. *How about storage?*

Ans. The Nickel-Cadmium Battery can be stored either charged or uncharged without damage. If stored charged, it will hold its charge for a very long time. At low temperatures there is practically no loss of charge. This means that the battery can be left out all winter and it will be ready for work in the spring. With this battery, fleet operators need no "battery room". *Cycling of batteries in stock is eliminated.*

Ques. *How does it compare in size and weight with other batteries?*

Ans. In a truck or bus a Nickel-Cadmium Battery half the size of a conventional battery will give *twice* the starting power at low temperatures and is much lighter.

Ques. *Does it give off fumes?*

Ans. The Sintered Plate Nickel-Cadmium Battery does not give off noxious or corrosive fumes. It can safely be installed under the rear seat of a bus, away from the damaging effect of salt and gravel.

Ques. *Can heavy-duty types be obtained?*

Ans. They are giving good service starting railway diesels and operating railway signal systems and in many tough jobs.

Ques. *Will they soon be available in Canada?*

Ans. Canadian-made batteries are already available and in use in limited quantities in Canada.

"The Romance of Nickel", a 72-page book, fully illustrated, will be sent free on request. Bulk copies supplied Secondary School teachers.

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OTTAWA QUEBEC SHERBROOKE TORONTO

What's C.A.'s Place in Our Economy?

(Continued from page 9)

or petty matters. They have a point, but it is not as serious as some think.

Little empire builders from time to time bob up in the Civil Service, just as they do in every big corporation. Sometimes they are very efficient but there is an aphorism: "a dictator always looks good until the last ten minutes." Therefore, as ministers are answerable for everything, a convenient safeguard and a means to unctuate vanity is to require that automatically certain things require cabinet approval.

In a sense I'm in the Civil Service but not of it, therefore I can take a detached view of the revolving machinery and need not be a special pleader. Moreover, in recent years another job has been to participate in the audit of international accounts, such as those of UN, NATO, etc., and this has afforded opportunities to observe and learn about administrative processes of various governments. I make no comparisons, but I'm proud of our Civil Service and system of government.

There are relatively few persons who are deliberate tax evaders, therefore the administrative task is really to correct errors in computations and in interpreting taxing statutes. Efficient as are the officials, their problems would greatly increase, the cost of administration multiply and, what is worse, inequalities in application result were it not that the repute of the accounting profession is what it is.

* * *

Management

JOHN J. CARSON, Director of Employee Relations, Hydro-Electric Power Commission of Ontario.

The employer who shows genuine interest in the well-being of his employees is likely to get better production than the employer who sees his workers as mere cogs in a machine.

To date, much of management's effort has been directed at making supervisors primarily production conscious, but we find that those supervisors who evidence major concern for the well-being of their work groups get better results than those who seem haunted only by the pressure of production.

Millions of dollars are being spent every year in applying scientific processes to product development and for the improvement of production methods. We are not applying our resources to the study of how the most successful managers and supervisors function and how their principles and practices can be more generally applied.

Research findings indicate that the relationship between supervisor and subordinate has more impact on productivity and morale than any other single factor. Too close supervision tends to bring about lower productivity and more general supervision results in a higher ratio of production.

Differences in productivity are also due to various managerial policies and practices and not to external stimuli such as the welfare state or unionism.

An important concept for modern management to recognize, understand and learn to use is the participation of employees in planning changes in job methods and in the establishment of work standards.

A system which does not offer employees satisfaction in their work cannot expect to continue indefinitely. This is especially so in a democracy where widespread individual dissatisfaction will eventually be registered at the voting place. In our efforts to establish the values of individual freedom throughout the world, industry must clearly uphold standards and methods to which workers everywhere can subscribe.

* * *

Policing

J. H. COLLINS, Registrar, Ontario Securities Commission.

In the administration of the Securities Act of Ontario a "full, true and plain disclosure" of transactions and conditions will not automatically qualify an issue of securities for sales and the Commission will refuse to accept a filing where it appears to the Commission that

(a) an unconscionable consideration has been paid or given or is intended to be paid or given:
(i) for promotional purposes, or
(ii) for the acquisition of property, or

(b) that the proceeds from the sale of the securities which are to be paid into the treasury of the company, together with other resources of the company, are insufficient to accomplish the objects indicated in the prospectus.

Subject to certain exemptions contained in the Act, no securities shall be traded by way of primary distribution in Ontario unless a prospectus qualifying the issue has been accepted for filing by the Commission.

The function of a company's auditor in the preparation and presentation of a prospectus cannot be over-emphasized. The rule of "full, true and plain disclosure" applies equally to the financial statements and the statutory information because in most instances, the public to whom the prospectuses are presented know little or nothing of the company issuing the securities offered for sale.

In most instances, statements prepared for a company's directors or shareholders lack material information considered necessary for full disclosure under the Securities Act.

When a prospectus is being reviewed by the Commission, it is an invariable rule that the statutory information and the financial statement be examined together for the purpose of cross-checking the information contained in these two sections of the prospectus.

The great majority of financial statements used with prospectuses are much more informative and are much better drafted than many of those a few years ago. This improvement is due in some measure to the changes in securities legislation and the policies of the Commission but a great part of the credit must go to the Canadian Institute of Chartered Accountants.

The current requirements for financial statements as contained in the Act are simple and call for a balance sheet of the company and an earnings statement covering operations for the last ten years. In the case of a company with subsidiaries, a consolidated balance sheet and earnings statement are required and provision is made for the use of pro forma balance sheets. The requirements for the financial statements of mining, industrial and investment companies differ to the extent deemed necessary. These are only the basic minimum requirements as it was considered impracticable to attempt to provide for all eventualities in the Act with the result that the Act stipulates that the financial statements must be "in a form acceptable to the Commission."

This provision permits the Commission to formulate policies which, while within the framework of the Act, are much more elastic than if all specific requirements were incorporated in the Act. It also permits the Commission to refuse to accept financial statements which are consistent with the requirements of securities acts in other jurisdictions but are not in accordance with accounting principles and practice as generally accepted in this province.

Another important stipulation in the Act is that the auditors must be persons acceptable to the Commission. Auditors classified as unacceptable are usually those who are not licensed to practice public accountancy and those who are officers, directors or employees of the company whose financial statements they are reporting upon.

* * *

The Profession

J. GRANT GLASSCO, Immediate Past President, C.I.C.A.

The growth in number of students over the past 30 years affords another striking evidence of the vigor of our institutes' development; in 1925, 77 students passed their final examinations; 30 years later, in 1955, 454 celebrated this happy event.

I am sure you realize that our growth has paralleled imposing developments in the accounting profession both in Great Britain and the U. S. The reason for this highly accelerated performance throughout most of the English-speaking world is not hard to find. The transformation which has occurred in our industrial and commercial institutions in this period has been unprecedented. Chartered accountants, together with their opposite numbers in the U. S., the certified public accountants, have had to train and produce members in sufficient quantities to provide not only for the steadily increasing demands of the public accounting field, but also for the rapidly expanding needs of commerce and industry for skilled accountants to participate in management.

It is an interesting fact that 20 years ago, taking the country as a whole, 75% of the chartered accountants in Canada were in public practice. Today that figure has dropped to 56% and, in the more highly industrialized sections of the country, the percentage of our members engaged in public practice is today not more than 50%. It has been charged, and not without reason, that our professional bodies have been slow to recognize the change which has been occurring in this connection.

There is, I feel sure, a growing awareness within the profession of our responsibility to play our part, particularly in the field of education. Within the past several weeks a meeting of representatives of all the universities in Canada engaged in teaching accountancy was held in Winnipeg under the joint auspices of our body and the Society of Industrial and Cost Accountants. This type of assistance to our educational institutions is, you will appreciate, by no means altruistic, as we have in many ways a considerable stake in the quality of accounting instruction across the land.

I suggest that our most logical and satisfactory development will be as a body of highly skilled accountants whose members, all having received their qualification through working in the public accounting field, are engaged in public practice, in industry, in government service, and in teaching. We should not aspire, I believe, to supervision of accounting education as a whole, or for that matter necessarily of our own students, but we should through maintaining the highest standards of knowledge and competence, carry the main responsibility for the improvement of the art.

Moncton Student Wins Top Honors

Moncton, N.B., accountancy student Reginald J. Baker was awarded the Governor-General's gold medal at the CA's meeting for student proficiency.

The medal is awarded annually to the accountancy student obtaining the highest marks in Canada in the uniform final examinations.

A silver medal, presented to the student attaining the second highest standing, was awarded D. K. McNair, of Toronto. The silver medal for highest standing in the intermediate examinations went to Harvey S. Hecker, of Toronto.

The awards were presented by Gordon R. Ferguson, of Toronto, chairman of the board of examiners-in-chief.

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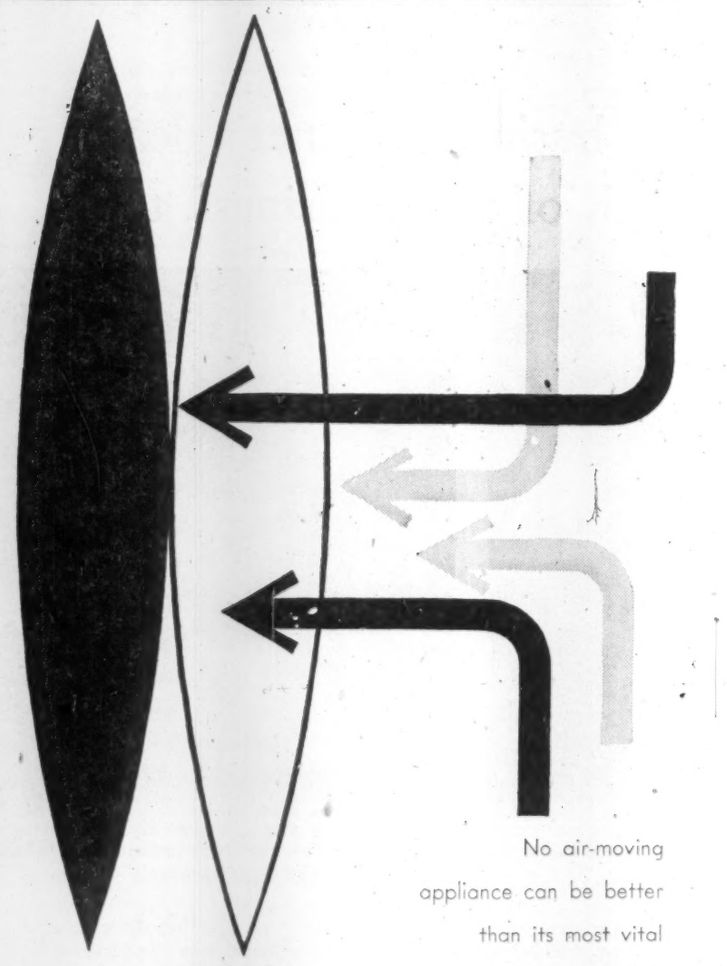

No air-moving appliance can be better than its most vital component: the air-impeller. And no one has had more experience in the design and manufacture of air impellers than Torrington.

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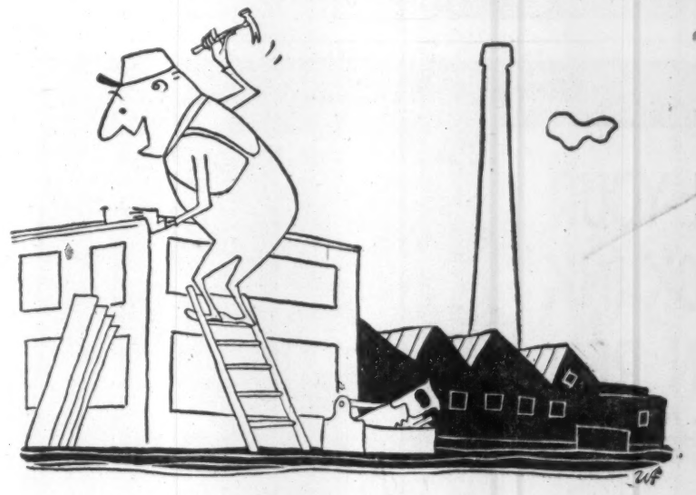

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Bill Terry's plant reflects something more than just the progress of the Terry Machinery Company Ltd. It reflects the growth of small business in Canada. It is but one of the many, many thousands of small and medium sized plants which operate across Canada and serve as a stabilizing force in our national economy.

Terry Machinery Company Ltd., serves both consumers and industry with a complete line of pumps, generators, chain saws, power plants and electrical control systems. Terry offers you round-the-clock service and as experts will recommend the right piece of equipment for your particular job. So, if yours is a difficult problem look to Terry for the solution.

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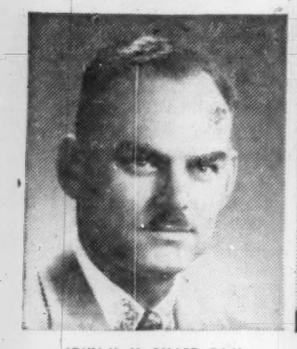
ANNOUNCEMENT

New Appointments at New York Life



JOHN H. M. SMART, C.L.U.

N. HUGHES BREITHAUPT

Two new appointments have been announced by Mr. F. A. Wade, Field Vice-President of the New York Life Insurance Company: Mr. John H. M. Smart becomes Sales Supervisor at Toronto; Mr. N. Hughes Breithaupt has been made Agency Manager of the Toronto Branch Office.

During 30 years' service with NYLIC, Mr. Smart has been Manager of the Toronto and British Columbia Branches. He obtained his C.L.U. degree in 1943. A past President of the Vancouver Life Underwriters' Association and a charter member of the Vancouver C.L.U. Chapter, he is presently Vice-Chairman of the Toronto Chapter. Mr. Smart has been active in the Life Underwriters' Association throughout his career.

Mr. Breithaupt joined the New York Life Insurance Company in November, 1949; four years later was made Assistant Manager at Toronto. From February to August this year he was Training Supervisor in New York. Mr. Breithaupt, a graduate of the University of Toronto, is a member of the Toronto Life Underwriters' Association. He served in the Army and R.C.A.F. during the second world war.

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FOUR SQUARE

This No Open and Shut Case

Canadians Are Still At Sea On Retail Closing Hours

Canadians haven't made up their minds about retail store closing hours.

The thorny problem of whether night-time shopping is to be allowed, and when, has cropped up in most Canadian cities since the war. It's a reflection of shifts in buying habits and sales methods which are themselves the results of basic changes in many families' living habits. Some of the factors:

1) More women are working. The percentage of women working in Canadian industry totals a whopping 22.3% of total industrial labor force. This means fewer wives and daughters are available to do the family shopping in the daytime.

But because many of these women are in retail and service occupations (an estimated 49% of total employment in these fields) it also means more people unwilling to work late hours because they must get home to cook supper for their families.

2) The suburban trend. Suburban stores are being grouped into shopping centres with emphasis on one-stop buying trips. Retailers find that the big tendency has been for families to do all their shopping for the week at one time. The best time has been found to be at night, when the family car is available to carry goods the relatively longer distance home.

This has meant that many suburban stores, free from adjacent big-city bylaws regarding hours, stay open one night a week. The night-time hours add to the pressure on store owners in downtown areas to keep their stores open and at the same time adds to pressure by employees to get home in time to do their own one-stop shopping.

3) The competitive factor. Keeping a store open at night adds to overhead costs and in some highly competitive cases, such as gasoline stations and hard goods outlets, retailers find that it is necessary to have a definite rule on closing hours so that the individual retailer can get some sleep. All have to close when one does or they fear they will lose too much business. Where agreement becomes difficult is when the retailers try to agree on an hour. Usually a compromise has been 6 p.m.

On the other hand, many retailers argue that forcing a single store or gas station operator to conform to the wishes of the less energetic majority is a denial of free enterprise rights and often leaves the buying public without the services it wants and often needs.

Post Survey

Two extremes in city size appear to allow the most leeway on stores' closing hours. A Financial Post survey of representative cities showed that the large metropolitan cities and the small rural towns tend to allow night-time opening of stores while the rest favor more rigid daytime hours.

The rural towns, traditionally the Saturday night suppliers of farm customers, and the urban centres, now competing with suburban and unrestricted fringe area outlets, usually allow shopping to 9 or 9.30 p.m. one night a week. The others regulate hours at 6.30 or 7 p.m. closing.

But the laws, and the authority administering them, vary from province to province and within the municipalities themselves.

In Newfoundland, provincial legislation forbids stores in the St. John's area to remain open after 6 p.m. except for Saturday night opening until 9.30. Saturday closing is enforced during July and August but stores are allowed to close on another day instead during the rest of the year.

So far, suburban shopping and night-time shopping on weekday nights have not been suggested in the city. Outport stores are allowed varied closing hours, depending on olcal industries' and retailers' preferences.

A similar situation prevails in the other Atlantic provinces.

Ontario's closing hours depend to a great extent on the various merchants in a specific line. Regulations provide that a local council must pass bylaws allowing an evening opening when 75% of the merchants in a particular field agree to it. This has meant, for example, that drugstores in Toronto can stay open evenings until 9 p.m. in the winter and 8 p.m. in summer if they want to.

The main problem has been in defining the various types of merchandise lines such as a grocery store, butcher shop, etc., with the advent of multi-purpose supermarkets and wide-range department stores.

In B. C., closing hours of stores are enforced by municipalities who also enforce the provincial Hours of Work Act, governing employees' hours. Generally in the province, most retail outlets shut down at 5.30 or 6 p.m. In suburban areas, such as those around Vancouver, there is a trend to opening Friday night to 9 or 9.30.

Main issue in B. C. has been the question of five or six-day shopping weeks. In Vancouver, a plebiscite in 1954 approved a six-day shopping week but since then there has been a strong movement by several merchants back to the five-day week, particularly among smaller tlets.

Compulsory Closing

Manitoba's Shops Regulation Act gives local municipalities the power to control store hours between 6 p.m. and 5 a.m. It also provides for compulsory change of closing hours when 75% of a given class of merchants petition local council for it.

In Winnipeg, the main night-time stores are food outlets which can stay open until 9 p.m. Main outlets only do this on Fridays. Strong protests have been made in the city against some so-called fruit stores or confectioners who use the category to stay open later and sell groceries too. Brandon and Portage la Prairie stay closed at night except for smaller outskirt stores.

In Saskatchewan, rural centres usually are open Saturday nights and there is some agitation for Friday night opening in Regina and Saskatoon. So far, few stores in the urban centres are open evenings. Most close at 6 p.m. So far in the province, there has not been any growth of suburban shopping centres.

In Alberta, stores in Edmonton are allowed to remain open until 9 p.m. Thursday nights and surveys in the city have shown wide consumer and store operator acceptance of the evening hours. The city is one of the few on the Prairies where a substantial suburban shopping centre development is under way with one $5 million centre already open and another announced.

Several stores outside the city limits are advertising that they stay open past regular city closing and report good business.

In Quebec, there are no provincial regulations regarding store closing hours and local municipalities make their own rules as they see fit. Most permit specified types of stores, such as gasoline stations, to remain open evenings. Some allow a wider scope of operations and a few have no regulations at all.

NOTICE

is hereby given that the Sun Insurance Office Limited has been granted by the Dominion Insurance Department, Certificate of Registry No. C 1623 authorizing it to transact in Canada the business of Forgery Insurance in addition to the classes for which it is already registered.

ROBERT P. SIMPSON,
Manager for Canada.

NOTICE

Notice is hereby given that the Scottish Union & National Insurance Company has been granted by the Dominion Insurance Department Certificate of Registry No. 1625 authorizing the Company to transact in Canada the business of Weather Insurance, limited to the insurance of the same property as is insured under a policy of fire insurance of the Company, and Boiler Insurance, excluding Machinery Insurance, in addition to the classes for which it is already registered.

ALEX. S. HAMILTON,
Manager for Canada.

Du Pont Alters Pension Scheme

MONTREAL (Staff)—Du Pont Co. of Canada will expand its existing noncontributory pension plan on Oct. 1 to include a new contributory plan in which employees with a minimum of three years' service may take part.

At the same time, the noncontributory plan, which provides a pension for any employee with 15 years' service either at the normal retirement age of 65 or if he suffers a continuing disability, forcing retirement earlier, is being revised. One of the changes permits naming a beneficiary in advance of normal retirement to receive part of the pension should the pensioner die. Another increases the minimum pension.

The company will continue to pay all costs of the noncontributory plan and pay administrative cost of the contributory plan. Under the latter, employees may contribute to a trust fund by means of salary or payroll deductions.

Truckers Buy Freight Line

A group of West Coast truck drivers and their front office associates announced this week that they had acquired British Columbia's largest highway freight service.

Public Freightways Ltd. has been sold to an association of company employees at an undisclosed price. All but three office clerks of the 81-person staff of the company are involved in the transaction.

The move is the first such sale in the history of transportation in Canada, the new owners claim, and the 78 new stockholders will carry out their purchase plan by paying existing owners out of wages and profits. Shares are to be held in trust until the purchase plan is completed.

The $1 million annual business will be operated by a management committee functioning under the name Public Freightways Employees Association which is headed by Vancouver rates manager W. R. Waterson. Included in the management committee are: General Manager James Vanaderspek, former president Thomas Dent, of Cloverdale, B.C., Louis Stevenson, of White Rock, B.C., and Gordon Winton, of Vancouver.

Public Freightways was formed in 1951 under a 150,000 share amalgamation of 10 inter-city freight carriers in the province. Last year it moved some 120 million pounds of freight, including some five million gallons of gasoline. The firm operates 60 trucks and tractors plus 15 trailers of van, flat and petroleum type.

Major freight terminals are located at Vancouver, White Rock, Cloverdale, Langley, Abbotsford, Chilliwack, Hope, Princeton, Kamloops, Haney and Agassiz-Harrison, all in British Columbia.

INTERNATIONAL UTILITIES CORP. converted 4,525 $1.40 cumulative convertible preferred shares into same number of common during August. There were 140,371 preferred and 1,069,012 common outstanding at Aug. 31.

BRITISH COLUMBIA POWER CORP. issued 650 additional n.p.v. shares at a subscription price of $16.025 per share to certain officials of company and its subsidiaries, upon exercise of options granted them. Now 3,242,925 shares outstanding.

BRAINS AND ABILITY ARE NEVER WILLED

Men are responsible for profits, but when they die they cannot will their knowledge and ability to their heirs.

Are there "Key Men" in your company? Would the death of any one of them affect continued sales and profits, unfinished business, research or expansion programmes, credit standing, replacement, or continuation of dividends?

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You immediately create a growing cash asset that

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A Mutual Life of Canada representative will gladly explain how KEY MAN BUSINESS LIFE INSURANCE can be used to advantage by your firm.

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ASSURANCE COMPANY OF CANADA
For Low Cost Life Insurance

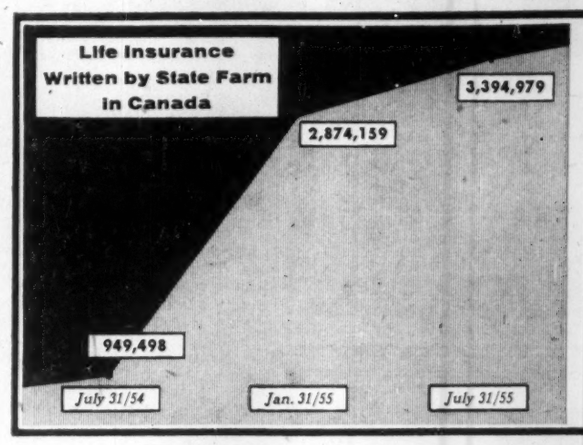
STATE FARM REPORT

STATE FARM INSURANCE

Facts of interest from State Farm Life Insurance Company—
Canadian Head Office, 90 Eglinton Avenue East, Toronto, Ontario
Affiliate of State Farm Mutual Automobile Insurance Company and State Farm Fire and Casualty Company

VOL. 2 NO. 3 3rd QUARTER, 1955

CANADIAN AGENTS BOOST VOLUME OVER 25% IN 7 MONTHS!



Toronto, Ontario, September 1:

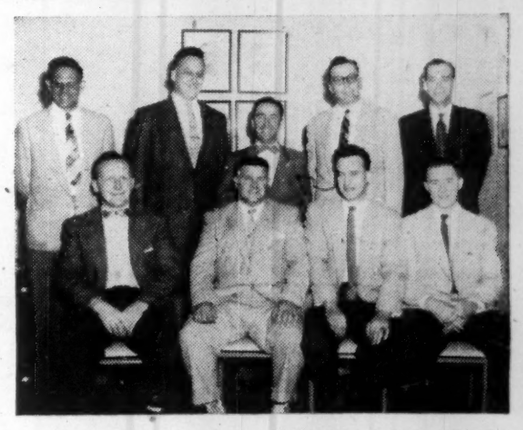
State Farm's life insurance in force continued to grow rapidly in the first seven months of 1955, said Scott F. D Taylor, C.L.U., director of State Farm's Canadian agency force.

"Our Canadian agents have written nearly $3,400,000 in new life business since the end of last year," Taylor continued, "a very satisfactory increase of more than 25 per cent over last year's *total* business in only *seven* months. For the twelve months ending July 31st, the total was well past the $6,000,000 mark."

Latest "Basic School" men smash all-time company life record

Nine new agents in "Canadian Basic School Number 4" recently won the distinction of writing more life insurance per man than any of the hundreds of previous Basic School groups throughout the State Farm organization in both the U.S. and Canada.

According to John Morris, Agency Supervisor, the Canadian group averaged $78,731 in new life insurance during the 8-weeks "on-the-job" training phase of the course. Former company record for a Basic group was $64,798 per man in a similar 8-week period. These agents, pictured on the right, combined to write $708,583 in the 8-week period.



The happy agents are: BACK ROW—L. to R. John Mennell, Toronto, Bryan Nairn, Toronto, Michael Quinlan, Toronto, Bruce Amson, Toronto, Robert Harding, Toronto. FRONT ROW—L. to R. Paul Corbett, Galt, Harold Passmore, Toronto, Richard Wakeman, Hamilton, Jack MacLeod, Ottawa.

Life Company gets Bigger "Headquarters". To handle the expanded volume of State Farm life insurance in force in Canada State Farm has acquired a brand new office in Toronto. The first policy to originate from the new "headquarters," located at 90 Eglinton Ave. E., was issued August 15.

Don't let a business partner's death be the death of your business, too!

Losing a business partner who, more importantly, has been a close personal friend, is tragedy enough in itself—without *adding* to the tragedy by losing your business, as well.

And yet, they so often go together. For it can be a matter of life or death if a deceased partner's heirs want to sell their holdings; or inject inexperienced hands into the business.

What steps can you and your partners take now? First, have your attorney draw up a Buy-and-Sell agreement that gives remaining partners the option to buy the deceased partner's shares. Then ask your Travelers man to arrange for Partnership-Life insurance so that the money is available for the purchase.

SERVING CANADA SINCE 1865

THE TRAVELERS

INSURANCE COMPANY, HARTFORD 15, CONNECTICUT

All forms of personal and business insurance including • Life • Accident • Group • Automobile • Casualty • Fire

Facts You Should Know About The Travelers

- Established in Canada since 1865, two years before Confederation.
- Disbursed more than $14,000,000 in Canada last year.
- All reserves set up for Canadian policies are invested in Canadian securities.
- Representatives from coast to coast. Write for the name and address of the one nearest you.
- Offices in Calgary, Halifax, Hamilton, Montreal, Ottawa, Quebec, Toronto, Vancouver, Winnipeg.

For further information about Travelers Partnership-Life insurance, fill out and mail this coupon to The Travelers, 507 Place d'Armes, Montreal, P.Q.

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Is Canada Prisoner of Her Climate?

Here Is Government View On Seasonal Unemployment

Is winter unemployment a penalty for living in a country with Canada's sharp climatic variations? In a recent speech, delivered to the Union of Nova Scotia Municipalities, Federal Works Minister Robert Winters suggested some methods to rid the economy of this perennial problem. Here is a digest:

By ROBERT WINTERS

On March 19, there were 401,000 Canadians without jobs and looking for work — nearly 7½% of the labor force. On May 21, this figure had dropped to 213,000 or slightly less than 4% of the labor force. On June 18, the figure was down to 157,000, slightly less than 3%.

It is expected that by mid-September the number of persons without jobs seeking work will have dropped to a little more than 2% of the labor force. Unemployment is usually at a minimum in September — rises to a peak in the late winter.

It is estimated that 250,000 persons are seasonally unemployed each winter, even in years of generally high employment. The annual loss in wages is probably about $150 millions, with its inevitable impact on the demand on the services and goods produced by other people.

This problem is, in a way, one of the penalties for living in a country such as Canada with its sharp variations in climate. One type of seasonal unemployment is caused by the direct effects of climate on the production process in many of our primary industries. Canadian farmers cannot plant wheat in February. Ice makes inland navigation impracticable in winter and fishermen face great difficulties.

But in other industries seasonal unemployment is caused not so much by climate as by employers' and consumers' habits —it is the market rather than the production process that is affected by the time of year. An example is the retail trade, which is at a peak from October to December — the Christmas shopping season. The clothing industry has peaks in the spring and fall when the weather and the fashions change. Demand for agricultural implements is naturally highest in spring and summer. Various service industries—hotels, restaurants, laundries and dry-cleaning establishments — reach peak activity in July, August and September.

A large part of the unemployment insurance benefits paid out in a year are paid during the winter months — in some years, for example, 65% of the total amount paid was given out in the five months from December to April. The Government has specifically recognized the problem of seasonal unemployment by providing supplementary unemployment insurance benefits from January 1 to April 15 every year.

Study Problems

In February, 1952, the National Advisory Council on Manpower referred this problem to a committee of the Unemployment Insurance Commission called the National Employment Committee. During the summer of 1953 this committee conducted a survey of 18 seasonal industries, questioning more than 600 employers on the causes of seasonal variations in their employment and on the methods they had already developed or could suggest for reducing these employment ups and downs.

The survey showed that a great many employers were alive to the problem and were developing techniques for stabilizing employment.

In March of this year more than one third of all male applications for employment on hand at National Employment Service offices were made by skilled and unskilled construction workers. In August of 1954 only about one sixth of the total number of applications were made by construction workers. In the past this industry used to close down altogether for three or four months each year and even now there are more than 25% fewer men employed in winter than in summer.

What is needed is close co-operation between owners, architects and the contractor so that outside work can be completed and buildings closed in before cold weather sets in. If this is done, construction costs will be no greater than in summer. This was proved in an interesting experiment carried on in Ottawa last winter — the Mooretown housing development.

The Ottawa and Hull Trades & Labor Councils conceived the plan of constructing a low-rental housing project to provide winter employment and to show that winter construction of homes is feasible. The city of Ottawa co-operated by purchasing $44,000 worth of shares in the company, representing the 10% necessary for the builders to get a federal loan for $444,000.

The project, consisting of 13 buildings containing 44 family dwelling units, kept 40 men employed throughout the winter, and the builders found that costs were even lower than normal because supplies were delivered more promptly during the slack season.

Yet another example of winter construction in Ottawa was a commercial office building which rose to its full height of 10 stories in spite of last winter's severe weather.

Certainly it has been fairly generally established that by the adoption of new techniques, the use of new materials and equipment, and above all with careful advance planning, there is no real barrier to carrying out construction activities during winter months.

Through the Department of Public Works, the Department of National Defense and other agencies, the Government of Canada is itself an employer in the construction industry, and I can assure you that we are trying to plan our construction work to provide more winter jobs. The National Employment Committee recommended to the Government that it should undertake a study of ways and means whereby the letting of government contracts might be better timed so as to offset as much as possible the seasonal variations in construction activities.

This has been done by a working committee established by the Minister of Labor. This committee has worked closely with officials of federal departments and agencies in a position to contribute to winter employment. As a result of their discussions a number of contracts for new construction and for maintenance and repairs were carried out last winter.

Without going into detail, I can inform you that the Federal Cabinet has recommended that four specific steps be taken, in so far as they are practicable.

They are:

—Government departments and agencies are to arrange their construction programs so that plans and specifications, tender calls, contract awards and the various stages of actual construction will be timed to provide the maximum amount of winter work for the construction trades.

—Alterations and repairs on buildings, houses and equipment owned by government agencies will be planned so as to be carried out as far as practicable during the winter months.

— Procurement programs shall be arranged, where practicable, to create the maximum amount of winter employment.

—With the objective of keeping increased winter employment in mind each department and agency concerned should, if necessary, adapt its financial arrangements staffs and other related matters in such a manner as to give effect to this directive.

The winter unemployment problem is part of the endless challenge of life itself in Canada. It isn't going to be licked by assault from any one front. Federal departments and agencies do spend sums running into the hundreds of millions of dollars annually in the fields involved here, but their spending is only a relatively small part of the national total.

What we aim to do should be the aim of governments at all levels and of private enterprise. I am happy to be able to say today that they have made a start, just as we have. But I think I can say of them what I have already said of our federal effort — we have made some progress but it is not enough.

Claims House Trailer Is First In Canada

From Our Own Correspondent

REGINA—Blanchard Foundry Co., Saskatoon, has announced production of a new type of house trailer, claimed to be first of its kind in Canada.

Low cost, light weight and convertible, the Sport Trailer is described as the ultimate in house trailer convenience without encumbrance."

It has cooking and washing facilities and sleeping accommodation for four. It can be collapsed for traveling, stands only 3 ft. 4 in. high, and has a flat top for transporting other holiday equipment.

A simple two-minute operation transforms it into a full size, weatherproof house trailer.

Will Alter Face Of N.B. Map

From Our Own Correspondent

FREDERICTON — Claimed in local contracting circles to be the largest earth-move for the size and type of project ever tackled in the province, Planet Construction Co., this city, is moving around 400,000 yards in a rail-highway diversion at Muniac, 10 miles above the New Brunswick Electric Power Commission's Beechwood dam site.

The double-header diversion was made necessary to raise the railroad and highway levels 15 ft. and prevent flooding when the head pond of the province-owned utility's current $50 million hydro development is filled late in 1957.

Moving the one-mile stretch of provincial highway and 1½ miles of the Canadian Pacific's line an average of 100 ft. back from the East bank of the St. John River also entails the construction of a 90-ft. double culvert over the Muniac stream.

Prowse Starts New Production

MONTREAL (Staff) — Prowse Ltd., a subsidiary of The Robert Mitchell Co., will manufacture ice cream cabinets, cafeteria, kitchen and fountain equipment for Liquid Carbonic Canadian Corp., effective Oct. 1.

Prowse Ltd. will continue to service the company's kitchen and service accounts. Special machinery, tools and dies for soda fountains and kitchen equipment, plus trained personnel, will be transferred to Prowse Ltd.

Liquid Carbonic will continue other products as well as its research and development and service departments.

Let Campbellton Hospital Contract

From Our Own Correspondent

FREDERICTON—Ouellon Construction, Ltd., has been awarded a $2½ million contract for construction of a proposed extension to the Campbellton mental hospital.

The Campbellton firm's $2,398,448 bid was the lowest of three received. Work will start immediately. Fall of 1957 has been set as the completion date.

The contract calls for construction of a group of two-story brick and tile wings similar in design to the present building. On completion it will increase the bed capacity from 225 to over 600 beds, or more than half the ultimate capacity for a proposed 1,200-bed institution.

Besides permanent central services for the ultimate 1,200-bed hospital the wings will take care of nine wards for patients and extensive treatment areas of various descriptions. Completion of the wings will leave only bed accommodation to be constructed in the future.

ANNOUNCEMENT

R. G. HUNT

The EXPORT CREDITS INSURANCE CORPORATION announces the appointment of Reginald G. Hunt as Montreal Branch Manager. Mr. Hunt has been with the Export Credits Insurance Corporation since its formation in 1945 and has been Manager of the Toronto Branch since 1952.

Mr. Hunt was born in Montreal and is the son of R. C. Hunt, former Manager of the Montreal office of Dun & Bradstreet, with which organization Mr. Reginald G. Hunt worked for several years. He joined the R.C.A.F. in 1941 and was awarded the Distinguished Flying Cross. Mr. Hunt is a member of the Canadian Credit Institute and holds the M.C.I. degree.

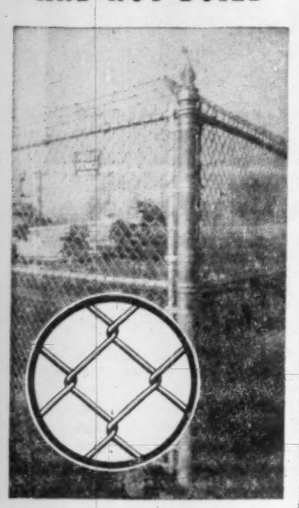
Population Figures

In the Financial Post issue of Sept. 3 the article "How Many People by 1975?" some errors were made in the attached table.

The correct figures are: 1955 male population 20-64, 4,123,700; 1960 female population 0-19, 3,492,200; 1960 female population 20-64, 4,552,100; 1965 female population 20-64, 5,050,800 and 1975 female population 0-19, 4,799,000. Heading on the third column should have been 1965.

UNIVERSITY OF TORONTO . . . UNIVERSITY EXTENSION
A Correspondence Course in
HOW TO INVEST YOUR MONEY
IN SECURITIES
In practical, everyday language, this course enables you to obtain a clear understanding of investment terms, principles and procedures, and their use in the wise investment of your money.
Based upon the pooled experience of leading Canadian Investment Houses, this course is offered in co-operation with the Education Committee of THE INVESTMENT DEALERS' ASSOCIATION OF CANADA.
The fee for this course is $12. For information on Course Content and registration write to: THE DIRECTOR OF CORRESPONDENCE COURSES, UNIVERSITY EXTENSION, 65 ST. GEORGE STREET, TORONTO 5, CANADA.

HOW TO EXPAND AND NOT BUILD



MAKE YOUR YARD YOUR WAREHOUSE

You can *develop* unused property into a safe, valuable storage area with Frost Fence. Suddenly you've solved your storage problems. Tough, durable Frost Chain Link Fence keeps intruders out . . . guards your yard 24 hours a day. Surplus remains safe and sound. Your fence stays ruggedly handsome because it is rust resistant and fireproof.

Unclimbable and almost indestructible, you can check the coming and going of materials with ease from a centrally located entrance. And you can be sure Frost Fence will last since it is made from quality wire, galvanized after weaving and heavily coated with zinc.

Frost Chain Link Fence is ideal for industries, institutions, municipalities, and private residences. Available in a wide variety of heights and gauges. Installation crews on call throughout Canada.

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Frost Steel and Wire Co. Limited
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SLITTERS LAST
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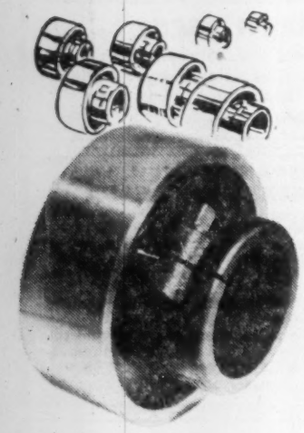

In high speed newsprint mills where steel slitters were formerly resharpened once a week, Deloro Stellite Paper Slitters now average two months between grinds. In low speed mills the increased life is even greater . . . lasting as long as three years between grinds.

In addition steel top knives, working against the smoother, Deloro Stellite bottom bands, last from 2 to 3 times longer . . . cut clean longer.

Write for your free copy of "Uses for Deloro Alloys in Pulp and Paper."

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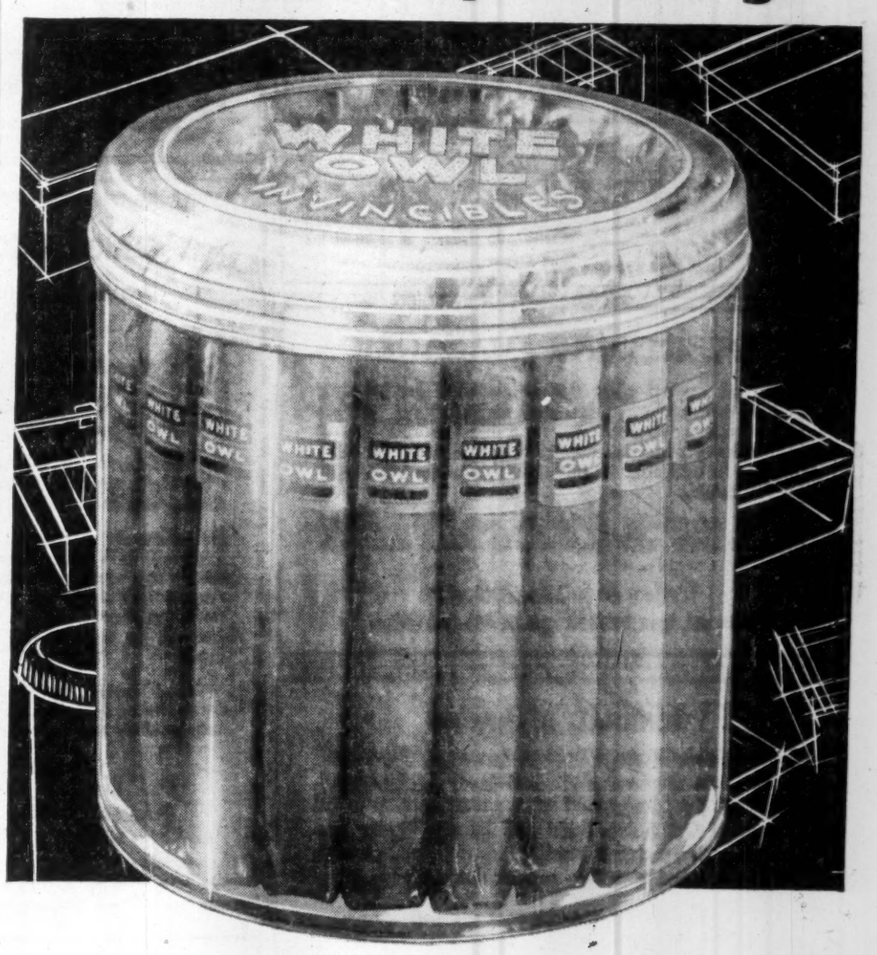
Seeing Helps Selling



plastics packaging sells goods...

Right across the retail trades, plastics packaged goods have proved faster movers. And, why not! The customer can see exactly what is offered . . . knows the items are better protected from handling and dust . . . knows foods, confectionery, cosmetics, tobaccos and the like are kept as fresh as the day they were packed. Sales people claim impulse buying is increased by plastics packages . . . that plastics actually SELL goods.

Cigar sales have proved this point. The Imperial Tobacco Company, pleased with the sales increase in plastics-packaged White Owl Cigars, have now added the C-G-E designed counter humidor above, believing it will greatly boost the buying of popular White Owl Invincibles in counter-sale quantities.

Perhaps your products could use the extra "purchase appeal" of plastics packaging. Why not find out! Call in the C-G-E Plastics Advisory Service. They will work with your engineers, production and sales people to give your lines added selling punch. Contact: Plastics Advisory Service, Canadian General Electric Co. Ltd., Cobourg, Ontario.

CUSTOM MOLDED PLASTICS
LET US HELP YOU SELL MORE GOODS THROUGH PLASTIC PACKAGING
4515-65S

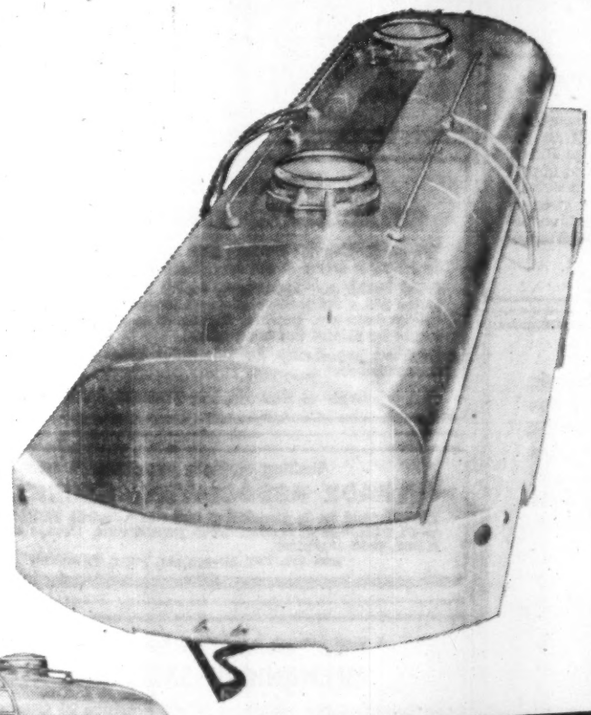
Chemical Department Products include
MOULDED AND EXTRUDED PLASTICS • GLYPTAL AND POLYESTER RESINS • CARBOLOY TOOLS • SILICONES • ALNICO MAGNETS
CANADIAN GENERAL ELECTRIC COMPANY LIMITED

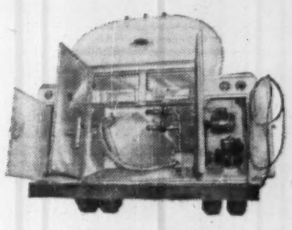
Swan Song FOR A MILK CAN

We don't say that the old, familiar milk can will disappear overnight, but you'll certainly see less of them as progressive dairies and dairy farmers take hold of this new idea in sanitary, economical milk transport.

The tank truck illustrated, which was built by L'Hoir, is actually two stainless steel tanks, one inside the other, separated by a thick cork insulation. It has a capacity of 2,200 gallons, includes a refrigerated sample cabinet, and is equipped with electric and gasoline motors to drive the special stainless steel pumps which pump the milk into or out of the tank as required.

Every detail of construction was worked out to make sure that the cleanliness of the milk is maintained. Even the hose is 2" Tygon plastic tubing which does not allow the milk to cling to its wall.





Maritime Provinces
Jardine Engineering Co. Ltd.,
23 Bayside Drive,
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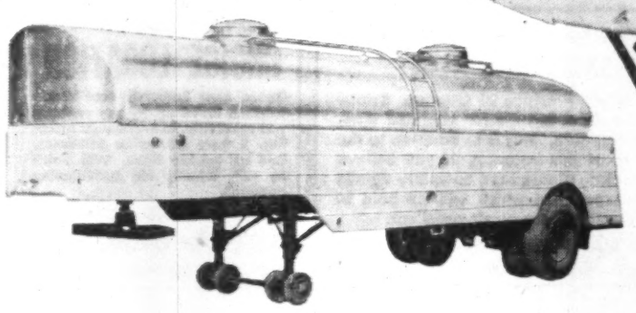
These tanks are made to order by L'HOIR, for trucks, trailers, or semi-trailers to any capacity desired.



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This is Canada's national meeting place for executives who have positions to offer, and for those who have ability to offer

FOOD MANUFACTURERS

A top sales executive with exceptional trade connections from coast to coast in all major outlets (chain store, wholesale or retail), is considering a change.

This advertiser has wide experience in selection, training and management of an efficient sales organization.

BOX 719, THE FINANCIAL POST, TORONTO

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34. Now Export Manager of medium-sized plant (basic industry). Highly proficient, excellent knowledge of markets, widely travelled, A.M.I. Ex. Fluent French and German, also Spanish. Able organizer and administrator. Available at month's notice for position of Export Manager or Assistant, according to scope.

Box 717, The Financial Post, Toronto, Ont.

SALES EXECUTIVE

Professional engineer, bilingual, experienced in electrical and mechanical equipment sales at administrative level. Enviable record in establishment of company operations. Seeks responsible position in engineering sales management, Canadian or U.S.A. manufacturer with or without responsibility Canadian manufacturing or assembly operation. Growth in distribution and profits assured in accordance with past record. Resident of Montreal but would be willing to relocate.

BOX 911, THE FINANCIAL POST, TORONTO

ADVERTISING MANAGER

Excellent opportunity for a seasoned advertising man is offered by a large shoe organization operating in six provinces. The man we are looking for should have practical experience, and a tested competence in handling all advertising media, both local and national.

Agency experience desirable. Age 28-35. Salary commensurate with business experience and work results.

Write with full particulars to

BOX 713, THE FINANCIAL POST, TORONTO

GENERAL MANAGER

To Completely Manage Dealership, one of "Big Three" in Northern Quebec. Applicant must be Bi-Lingual. Applicant must know and have proven ability in all phases of Car Sales, Parts and Service Operations. Compensation includes good Salary and a percentage of Profits. Send complete resume and Photograph to

BOX 708, THE FINANCIAL POST, TORONTO

SALES MANAGER

Large Canadian Manufacturer requires Sales Manager for Heating and Air Conditioning Division. Must be able to train and direct National Sales Staff in large expansion programme. The man we want should be already well established in this field. Apply in writing, outlining age, experience, education, salary requirements to

Box 709, The Financial Post, Toronto

All replies strictly confidential.

ELECTRICAL ENGINEER — MANAGER AVAILABLE

Has broad proven electrical contracting, engineering and administrative background in Western Canada. Familiar with construction and basic industries in B.C. and Alberta. Presently employed. Seeks more advanced position at management level. Compatible nature. References, resume, and photograph available by writing.

BOX 906, THE FINANCIAL POST, TORONTO

CREDIT MANAGER

Due to a program of planned expansion a leading wholesaler and distributor of plumbing and heating supplies in the Ottawa Valley requires the services of a Credit Manager, preferably with experience in the same or closely related fields. A man with extensive office experience in the plumbing and heating wholesale business could also be a suitable candidate.

The minimum age requirement is thirty. Bilingualism would be a distinct asset. The successful applicant must be prepared to undertake aptitude testing.

Appraisal and placement fees will be paid by the employer. Please give full particulars in first letter. All replies will be treated in strictest confidence.

PERSONNEL CONSULTING SERVICE
P.O. BOX 357, OTTAWA, CANADA

EXECUTIVE SALES REPRESENTATIVE

Age 40 to 50, with considerable experience in the Construction trade, wanted to represent well-established company in the promotion and sales of nationally advertised Aluminum Prime windows for new construction. Preference will be given applicant having experience in contacting architects and contractors. Applicant must have ability to assume responsibility eventually for entire new division of this company. Attractive remuneration to be established commensurate with experience. Apply to:

BOX 716, THE FINANCIAL POST, TORONTO, ONTARIO.

Opportunities in the electric and electronic **PUNCHED CARD ACCOUNTING FIELD.** The development of electronic data processing machines and the rapid expansion of electric Punched Card Accounting has created opportunities for young men, with university training or its business equivalent, to enter the fascinating business equipment industry.

Successful candidates will receive extensive instruction on the practical use of electric and electronic Punched Card Accounting Machines.

If you are interested in making your career with the leading company in the industry and have the necessary qualifications, please write giving details of age, experience and education to

Box 908, The Financial Post, Toronto

MECHANICAL ENGINEER SEEKS BROADER OPPORTUNITY

Eight years experience, chiefly in original design work, also in production and service, in commercial vehicle field. Have thorough knowledge of structural and machine design, and have applied this in original design of chassis, including axle assemblies, suspensions, frames, etc.; also bodies.

The field in which I have specialized is rather narrow in Canada. My present firm is too small to offer growth possibilities for a full-time engineer. Therefore, I am seeking a connection with an industrial or consulting engineering firm where my basic knowledge and experience can be used more widely.

My present employers will give me excellent references and I can exhibit report of Canadian Personnel Consultants, P. Eng., Age 32. Married. U of T graduate. Member SAE. Presently residing in Toronto but will go anywhere in Canada.

Box 921, The Financial Post, 481 University Ave., Toronto 2, Canada

SENIOR EXECUTIVE WANTED

Marketing — Industrial Electronics

Salary $15,000 plus

One of Canada's major manufacturers of scientific and electronic equipment, backed by international research and development, has retained our organization to locate a senior executive.

The chief function of this executive will be general administration with emphasis on sales management and marketing. A man with demonstrated leadership ability is essential.

Experience in electronics is desirable but not essential. Executives with management and sales background in complex electrical or mechanical industrial products will receive real consideration. An electrical engineering degree preferred. Age range 35-45. Remuneration open for discussion but will be of the order of a base salary $15,000 plus incentive.

Write us immediately about this opening. All inquiries will be answered and, of course, in the strictest confidence. (All fees paid by the employer.)

J. B. FRASER
EXECUTIVE PLACEMENT
CONSULTANTS LIMITED
Established 1936
185 BLOOR ST. EAST - TORONTO, ONT.

CHARTERED ACCOUNTANTS

The RCA Victor Company Ltd. now has openings in its Montreal Head Office for two capable men for the Accounting Department. In each case, a C.A. degree is essential and subsequent industrial experience would be highly desirable.

Senior Accounting Executive

This position requires an energetic and ambitious man who is familiar with the various aspects of manufacturing and sales accounting. The applicant should be about 35 years of age and have 8 to 10 years industrial background.

Group Supervisor

The man for this position should be 25 to 30 years old with some post-degree accounting supervision experience. Since orientation will be provided, no specialized background is essential.

These are excellent opportunities for men who are able to assume responsibility readily and grow with our expanding organization. All normal employee benefits are in effect. Applications, which will be held in strictest confidence, should contain full details of experience, education and personal history. Replies should be addressed to:—

The Employment Manager
RCA VICTOR COMPANY, LTD.
901 Lenoir St., Montreal, P.Q.

SALES EXECUTIVE AVAILABLE

Twenty years experience in plastics and buttons. Thorough knowledge and practical experience on all phases of manufacturing, sales, management and some engineering. Presently employed with good reason for making change. Age 40, married and in excellent health.

BOX 915, THE FINANCIAL POST, TORONTO

OPPORTUNITY WITH ESTABLISHED INVESTMENT DEALER

We are looking for a young man (age 20 to 30 years) who wishes to follow a career in the investment business.

Good health and appearance, senior matriculation or college education and a desire to build a real future for himself are the qualifications necessary. Previous experience in banking or insurance work would be helpful but not required.

Excellent opportunity for substantial earnings. Pension plan and insurance benefits.

Reply to Box 919, The Financial Post, Toronto

Seeking Multiple Appointments as

TRADE ASSOCIATION SECRETARY

Experienced trade association secretary desires multiple appointment with several smaller trade associations. Competent administrator, good organizer.

BOX 912, THE FINANCIAL POST, TORONTO

A well-known machinery manufacturer requires a

MECHANICAL SALES ENGINEER

to contact large industries in the Province of Quebec. Established clientele assuring substantial income for qualified man. Some knowledge of French desirable. This is in addition to the existing staff who are aware of this vacancy. If you believe you are the man for this position, please send complete details of qualifications and past experience which will be held in strict confidence. Our fee is paid by our employer-client.

PERSONNEL AND MANAGEMENT SERVICE
3405 Cote des Neiges, Montreal 25—WE-2001

CLASSIFIED ADVERTISEMENTS

CLASSIFIED ADVERTISING RATES

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Minimum charge $3.00

Each initial figure or fraction, abbreviation and sign counts as one word; if a box number is desired, the words "Box 100, The Financial Post, Toronto," count as six words. When replies are mailed to advertiser, 15 cents extra is charged. Closing date: Copy must be in Toronto office by Tuesday a.m. Classified advertising is strictly cash in advance.

Business Opportunities

PROGRESSIVE MECHANICAL SALES organization with sales office in Montreal and covering Province of Quebec seeks one additional profitable line for distributorship. Box 684, The Financial Post, Toronto.

WESTERN CANADIAN JOBBER and distributor with full travelled coverage is seeking new lines to distribute. We are calling on drug and hardware trade with small wares, etc. Interested manufacturers please contact Edmonton Brokers & Distributors, 10246 - 104th Street, Edmonton, Alberta, Canada

FOR RENT

MONTREAL BRANCH SALES OFFICE service at very low cost. Let us explain without obligation. MERCHANDISE BUREAU 1103 Mayor Building, Montreal 2

PROFITABLE YEAR 'ROUND Public Accounting Practice in Toronto offered to qualified accountant for twenty-one thousand dollars cash. The gross annual income of twelve thousand dollars provides the nucleus for an excellent branch office. Contact Box 696, The Financial Post, Toronto.

AUDITING PRACTICE

REQUIRED IN ONTARIO. Reply in confidence to Box 903, The Financial Post, Toronto.

FOR SALE

WOODEN FOLDING CHAIRS $3.95. Discount for quantity. Strong and comfortable. Sample on request. Holland Traders, Paris, Ont.

MACHINE SHOP FOR SALE

MACHINE SHOP. New Building. Concrete blocks. 2,000 square feet. Lot 8½ acres. Between railway and highway in town close to Ottawa. Shop $13,000. Machinery $5,000. Can be sold separately. Apply Box 698, The Financial Post, Toronto.

OPPORTUNITY WANTED

Lawyer with general experience and particularly in estate, real estate and mortgage matters, wishes association affording excellent prospects with an individual, firm or corporation located in Toronto or district.

Box 924, The Financial Post, Toronto.

MANUFACTURING ENGINEER

Graduate, age 41, 17 years experience, mostly supervisory, in metal working industry. Some plastics experience. Present earnings in $15,000-$20,000 range. Desires executive position with progressive company.

Box 907, The Financial Post, Toronto

DESIRES TO LOCATE IN LONDON, ONT.

Bank accountant — 23 yrs. experience — good organizer — accustomed to meeting public and handling staff — interested in establishing with firm where energy and ability will lead to future promotion, married.

Box 913, The Financial Post, Toronto.

EXECUTIVE, ASSISTANT

Knowledge of Electronic Engineering, Production, etc. Have experience to manage small or medium sized company. Desires opportunity to train for higher position. Must be near university to complete education.

Box No. 917, The Financial Post, Toronto

MAN FRIDAY

Competent #2 man, familiar with problems of, buying, selling, Advertising, etc., would make excellent work horse for busy president.

Box 905, The Financial Post, Toronto

SASKATCHEWAN FIRM

Calling on all food stores, general stores, cafes, etc., can do justice to one or two additional lines. Particularly interested in equipment or food lines. Full sales and service coverage.

Box 718, The Financial Post, Toronto

RUSSIAN EXPERT

Canadian born, aged 32, Economics Graduate, post graduate research in Russian studies, fluent Russian, formerly economist with United Nations, presently engaged in financial work.

Seeks responsible position where knowledge and experience can be utilised. Excellent references.

Box 904, The Financial Post, Toronto

WANTED PRODUCTION ENGINEER AND $10,000

For small growing organization in Hamilton. Applicant must be able to take complete charge of all manufacturing operations which include, machine and tool production. Preferably a graduate engineer. Would prefer a man with $10,000 available capital and willing to invest in the firm and his future. Salary and commission.

This is an opportunity with better than average possibilities.

Write in complete confidence giving full details to

Box 714, The Financial Post, Toronto

WESTERN REPRESENTATIVE FOR NATIONAL BUSINESS ASSOCIATION

Excellent opportunity in Western Canada. This position requires aggressive man with considerable ability in sales and public relations work. Experience in association work an asset. This position involves travelling in Western Canada much of the time. Good salary, pension plan, group insurance and expense account offered. Reply with full details including past experience, salary expected. All replies treated in fullest confidence.

Box 910, The Financial Post, Toronto

MODERN NEW OFFICE SPACE

CHOICE LOCATION

Queen near Bathurst, over Woolworth's, 8,000 sq. ft. on one floor, will subdivide. In brand new building, 2 very attractive entrances, lots of outside light. Will finish to suit tenant, air conditioning optional.

Very reasonable rental. Apply to

EM. 6-3475
TORONTO

LINE WANTED

MANUFACTURERS AGENT. Engineer, selling hydraulic components and machine parts to large original equipment manufacturers of Ontario needs additional line preferably established. Box 923, The Financial Post, Toronto.

POSITIONS AVAILABLE

MANAGER FOR Wholesale Fish Business to take complete charge of new modern plant in Niagara Peninsula. Must be experienced in all phases of fish business. The right man will receive a very attractive offer. Box 697 The Financial Post, Toronto.

INVESTMENT SALESMAN

OPENING IN OUR Toronto or Montreal Office for salesman of listed stocks, mutual funds and new issues. Excellent prospects for advancement. Our old-established firm has membership in The Investment Dealers' Association of Canada and the Toronto Stock Exchange. Reply in confidence to: Box 918, The Financial Post, Toronto.

CHAIRMAN, PURCHASING COMMISSION
GOVERNMENT OF BRITISH COLUMBIA
VICTORIA, B.C.

Salary: $620 per month. To direct purchasing policies and procedures and supervise staff of about 60 persons. Must have wide experience in purchasing field; demonstrated administrative ability; ability to meet and deal with officials and the public. Application forms and further information obtainable from the B.C. Civil Service Commission, 544 Michigan Street, Victoria, to be returned **NOT LATER THAN OCTOBER 31st, 1955.**

POSITIONS WANTED

PROFESSIONAL ENGINEER with extensive construction and business experience desires association with an established Real Estate Company on a partnership basis. Box 720, The Financial Post, Toronto.

ENGLISHMAN, age 45 years, present Sales Executive internationally known Company, with very successful sales record extending over many years, widely travelled, Europe, Middle East, fluent German and French, desires for domestic reasons to obtain suitable situation in Canada, willing to travel, experience and knowledge export markets invaluable. Write for further particulars to Box 900, The Financial Post, Toronto.

FOREIGN TECHNICAL Representative—Appointment sought by gentleman of 29, 6 years experience as chemist with Canadian Paint Co. Thorough knowledge of French. Fluent in German and Dutch. References in Canada and abroad. Industrial aptitude test available. Please enquire through Box 916, The Financial Post, Toronto

SENIOR EXECUTIVE AVAILABLE

ENGLISH C.A., Chief Accountant of group of subsidiaries of worldwide concern in Argentina, with 20 years professional commercial and industrial experience in South America, desires settle in Canada for family reasons. Seeks responsible executive post offering scope for advancement. Reply Box 901, The Financial Post, Toronto.

INDUSTRIAL SITES

Available For Immediate Building

RAILWAY SIDINGS
ROADS
WATER
SEWERS

in

METROPOLITAN TORONTO
and
LONDON, ONTARIO

Detailed information on request

Ask for Mr. Heine or Mr. Wesley

A. E. LePAGE
LIMITED REALTORS
320 Bay St., Toronto EM. 3-5661

MANUFACTURER'S AGENT

Ex-Sales executive with excellent connections in Hardware, Paint, and Sporting Goods Trades in British Columbia. Would like to represent Eastern Manufacturers in this territory.

Box 909, The Financial Post, Toronto

MANUFACTURER IMPORTER

Distributor with vehicles employing salesmen covering North and South of Quebec desire additional lines smallware Hardware and Sporting Goods and Japan Importations.

Bourlamaque Sport Rgd.
186 St-Cyrille W., Quebec City

CAPITAL REQUIRED

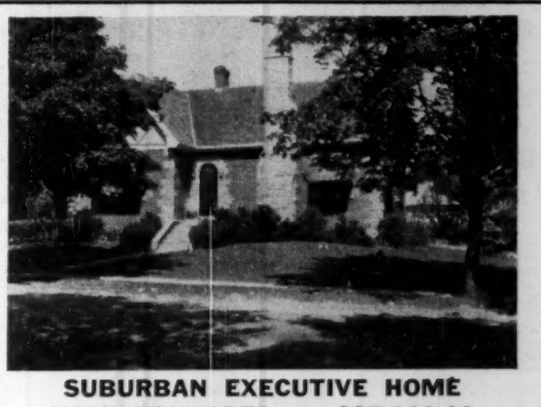
For Expansion of Small Business

Products stable with assured market. Favourable costs proven. Capable business and engineering management. Best of references and record. Excellent capital gain opportunity.

BOX 712
THE FINANCIAL POST, TORONTO

Real Estate

A Dominion-wide market place for buyers and sellers of land, residences and commercial buildings.



SUBURBAN EXECUTIVE HOME HAMILTON AREA — $27,000.00

Located on well planted grounds on large corner lot close to shopping, transportation, all churches and schools, 7 miles from Hamilton.

Ground floor — large living room with open fireplace, separate full size dining room air conditioned, sunroom, large bright modern kitchen, copper screened outside sunporch, 2 bedrooms with 4 pc. tiled bath.

Second floor — 2 additional bedrooms, den, air conditioned, also dry storage room.

Basement — has finished recreation room, separate front room, hard and soft water, laundry tubs, hot water heating with new boiler and oil burner, heated garage with entrance to basement.

Complete with storms, screens, awnings and many other extras.

Telephone owner, Waterdown 147
or write Box 353, Waterdown, Ont.

BUSINESS FOR SALE

10,000 square feet building fully equipped to handle most food products. Situated in Metropolitan Toronto. Interested parties please apply

BOX 902, THE FINANCIAL POST, MONTREAL

FACTORY AVAILABLE

For Rent or Sale

In Kitchener, we have 29,600 square feet of very fine space on 4 floors suitable for light manufacturing. On same property there is an additional 2,400 square feet of office space.

Factory has sprinkler system, coal-fired steam heat with unit heaters, exhaust system, freight elevator, washrooms on all floors, and many other extras.

There are acres of additional property for expansion.

This building can be purchased with reasonable down payment or rented in part or entirely.

BOLLERT & CATON LTD.
REALTORS
KITCHENER, ONTARIO
ASK FOR L. J. HOSSIE
Phone: Kitchener 2-8349 Phone: Port Credit CR. 8-9988

1500 sq. ft. of Office Space

Available on best corner in Prince Albert, rent reasonable and lease available.

Box 920, The Financial Post, Toronto

OPPORTUNITIES

WELDER'S EQUIPMENT LINES WANTED

We are looking for equipment lines, direct from manufacturers, allied with the welding trade. Will invest in sufficient stocks to supply market now being serviced by six salesmen in Southern Alberta.

INDEPENDENT OXYGEN LIMITED — MANUFACTURERS OF OXYGEN AND ACETYLENE, P.O. Box 51, Lethbridge, Alberta.

MANUFACTURER'S AGENT

Can effectively handle additional line. Stampings, Castings, Plastic Mouldings, or other line suitable to same trade in Canada. Excellent references. Reply

Box 687, The Financial Post, Toronto

AMERICAN COMPANIES SEEK BUSINESS INVESTMENTS IN CANADA

Would you be interested to discuss
Selling your business to American interests, or
Merging your business with a successful American company, or
Interchanging production and sales techniques and "know-how" with an American company, under a mutually profitable arrangement, or
Setting aside some of your production facilities for the products of a progressive American company.

We operate in strict confidence as an intermediary — and cooperate with all banks, trust companies, and established brokers.

CANADA-U. S. A. ASSOCIATES
Boston 67, Massachusetts, USA.

CAPITAL TO INVEST

by well established Alberta company. Firm is operating profitably at present, but at a greatly reduced level. This makes available, for investment, funds and/or manufacturing facilities in bona-fide propostion. Company is prepared to exchange bank references.

BOX 922, THE FINANCIAL POST, TORONTO

PACKAGING PLANT FACILITIES AVAILABLE

USING LATEST PRODUCTION TECHNIQUES AND METHODS

LET US QUOTE YOU A PRICE TO-DAY

WAREHOUSING • PLANT • OFFICE • STAFF

LET OUR TRAINED STAFF STUDY YOUR PACKAGING PROBLEMS AND SAVE YOU MONEY — NO OBLIGATION

WRITE US TODAY Box 914, The Financial Post, Toronto

DRAPER REAL ESTATE CO. LTD.
BUSINESS BROKERS
and
CONSULTANTS
1183A Lakeshore Rd., Toronto "14"
Ontario

COMPANIES FOR SALE

$750,000 asking price, Georgian Bay district about 100 miles from Toronto, 90,000 square feet, 150 employees metal fabrication and manufacturing company. Old established privately owned firm with one man management. A-1 opportunity for sales minded group with modern merchandizing methods and capital to promote new products. Owner retiring, most anxious for immediate sale.

$550,000 asking price, old established steel fabricating company, manufacturing heating equipment. Owner retiring, will consider small down payment and permit new owner to finance balance out of earnings. Company is well known and a leader in its field. Has smooth working executive team, first rate sales force, and excellent line of bank credit. This business is well worthy of your investigation.

$225,000 asking price, near Stratford, wood working company about 60-80 employees, 30,000 square feet of factory area. Old established one man managed private company. Profit picture very poor due to the lack of an organized sales effort and product diversification. Present volume could be increased three fold by new owner with sales ideas and new line of products.

$135,000 asking price, Toronto, Chemical Company manufacturing and distributing by direct selling a well known line of sanitation products for use in hospitals and other institutions. Owner retiring, will consider some terms. A-1 opportunity for Sales Manager who wishes to own his own business.

$185,000 asking price, Georgian Bay area location, long established family owned company manufacturing wood products. Name is well known and earnings have been excellent; but due to disagreement on sales policy between management and stockholders earnings have decreased considerably. Firm is in A-1 shape financially and will stand the most rigid inspection.

$250,000 near Woodstock, one of the best known manufacturing companies in its field specializing in the production of one line of metal items. Basically a machine shop operation. Excellent volume and profit picture. Privately owned family company well organized and efficiently operated.

COMPANIES WANTED

Sales minded executive has $50,000 cash as down payment to buy service or distributing type company in Toronto area. Firm should have good history of earnings and be well known in its field.

Wanted — well advertised company in Ontario showing a net of $200,000 before tax. Prefer manufacturing type company. Corporate purchaser is prepared to pay up to $2,500,000 to acquire such a business.

Wanted — small manufacturing company in Toronto area with growth possibilities. Executive has $10,000 as down payment. Type of product not important, will consider outright ownership or buying into a firm as an active partner.

Basic Chemical company located in Toronto wishes to enter retail field by buying established company with line of popular brand name chemical items being sold through hardware stores. Purchaser will pay up to $900,000 cash.

Executive with advertising and sales promotion experience is interested in buying $100,000 book value business in Ontario or Quebec where sales and distribution play a prominent part. Firm should be established at least ten years.

Corporation located near Hamilton wishes to expand by purchasing a company manufacturing sheet metal products, possibly in consumer goods. Present volume should be $200,000-$400,000.

Wanted — Old established family owned company in Toronto area manufacturing and distributing well advertised brand name line of consumer products. Past record of earnings secondary. Purchaser who will pay up to $500,000 would like situation to exist where modern merchandising ideas and additional capital could double volume.

COMPANIES AVAILABLE FOR MERGER

Chemical company marketing a line of products sold to the automotive trade wishes to expand by merging with a larger chemical company in Toronto or Hamilton areas.

Stratford area, specialized wood working company that needs sales force and product diversification, would like to merge with furniture company selling directly to retailers.

Toronto area, owner of small distributing company importing scientific instruments from Europe is held back from expanding by lack of capital, and would like to merge with larger company.

Opportunity for metal fabricating company to acquire similar company in Toronto by merging. Owner retiring, not too interested in cash.

Opportunity for medium size manufacturing company that needs area and manufacturing facilities, to acquire by merger huge manufacturing company, 300,000 square feet, 300 employees, in Georgian Bay area. Owner close to seventy years old, wishes to retire.

Near Hamilton, light sheet metal fabricating company has $100,000 available to acquire by merger a manufacturing company with a brand name product to diversify its line.

CONSULTANT SERVICES

PROMOTING, ORGANIZING, DEVELOPING AND SELLING COMPANIES.

NEGOTIATING THE SALE OF CORPORATIONS WHO SEEK CAPITAL GAINS.

FORMING SYNDICATES FOR THE PURCHASING OF A COMPANY.

EFFECTING RE-ORGANIZATIONS OF COMPANIES TO MAKE THEM MORE SALEABLE.

PROCURING CAPITAL FOR ESTABLISHING NEW COMPANIES.

RECOMMENDING VARIOUS WAYS COMPANIES CAN BE SOLD AND PURCHASED.

SELLING A COMPANY TO ITS EXECUTIVES BY USING THE EXECUTIVES PAYROLL DEDUCTION PURCHASING PLAN.

THE LOCATING OF CORPORATIONS FOR COMPANIES WHO WISH TO MERGE WITH OR PURCHASE OTHER COMPANIES.

FORMING A COMPANY TO MARKET A NEW PRODUCT.

THE BUYING AND SELLING OF A PARTNERSHIP IN A BUSINESS.

FOR INFORMATION AND BROCHURE OF SERVICES Write:

William Draper, President
DRAPER REAL ESTATE CO. LTD.
1183A Lakeshore Road, Toronto "14", Ontario

All Dealings confidential
Bank References exchanged

Trend of Business

Building of new housing continues at a rapid-fire pace. New housing units started in July rise 8% from July 1954 and are up 21% in the first seven months of the year. Completions climb 15% in July and 24% on year to date. Still being built were 15% more houses at the end of the month than a year earlier.

We're still a growing nation. Population rose 198,000 in the first half of 1955 to 15,637,000. This increase is at an annual rate of 2.6%, a little below annual growth rate of 2.7% in the first half of 1954.

Fine paper production dips 13% in July but up slightly in first seven months from same periods last year. Shipments down 10% in month and about 2% so far in year. Exports slip slightly in July but increase on year a whopping 25%. Similarly coated paper processed slips 9% in July from July 1954 but is up 7% on year to date. Shipments of coated paper off 3% on month, up 8% on year.

Department stores sales continue chalking up increases from last year. Rise in latest week 4.5%. By provinces, increases are: Atlantic, 6%; Quebec, 2.5%; Ontario, 4.9%; Manitoba, 6.9%; Saskatchewan, 2.7%; Alberta, 7.7%; B.C., 2.2%.

Traffic toll across Canada excluding Quebec was 140 killed and 3,854 injured in May. Property damage amounts to $2.9 millions. Altogether 126 accidents resulted in deaths, 2,682 caused assorted injuries and 6,449 caused property damage only. Ontario showed the worst results with 86 killed and 2,214 injured. Other provinces: Newfoundland, 3 killed, 38 injured; Prince Edward Island, 13 injured; Nova Scotia, six and 195; New Brunswick, 11 and 146; Manitoba, six and 281; Saskatchewan, three and 150; Alberta, 13 and 293; B.C., 12 and 522; Yukon and Northwest Territories, two injured.

Car makers have busy summer with output up a sharp 64% in August. Commercial vehicle production rises 15%. In first eight months, increases were 26% and 13%. Combined production to end of August of 353,461 units even higher than 1954 total output of 350,152 units.

There should be plenty of turkeys for this Thanksgiving. There were 19% more turkeys on Canadian farms at Aug. 1 than at June 1, and 3% more than last August. Ontario, Manitoba, Saskatchewan and B.C., have more turkeys while Quebec and Alberta have less.

Production of pig iron and steel ingots up sharply from last year as industrial activity quickens. Pig iron output rises 73% in August at a monthly record of 288,688 tons. Steel ingot output up 18%. In first eight months of year, pig iron output up 40%, steel ingots 39%.

Iron ore shipments almost triple in July as new Labrador-Quebec mines feed hungry blast furnaces. Shipments total 2,368,584 tons in month and 6,458,632 tons in first seven months, compared with 830,099 and 2,586,146 respectively. Exports up 213% in July and 184% in seven months. Month end stocks up 35%.

Zinc output rises in first half while less lead and silver produced. Boost in zinc 22%, while dip in lead 4% and 10% in silver.

Copper and nickel production climb in June and in first half of year from same periods last year. Copper output up 5% in June, 9% in six months. Nickel climbs 12% and 13%.

Labor is getting more money for fewer hours of work. Average hourly earnings climb 3.7% in manufacturing and weekly wages up 1.9%. Average work week drops 1.7%. Both hourly earnings ($1.36) and weekly wages ($57.16) at new highs. Since 1945, average work week off 8.4% from war years.

Crude oil production still climbing as western Canada oil industry grows. Output up 35% in May and 33% in first five months from same 1954 periods. Natural gas production rises 20% in month and 14% in five months.

Traffic is heavy at border-crossing points between Canada and the U. S. Volume increased about 19% in July and 13% in first seven months. Traffic by rail, through bus, boat and plane up about 4%. Altogether some 8% more foreign travellers arrived in Canada in July. In seven months, foreign travellers carried into Canada increase in all forms of transportation except rail where the decline is 2%.

Major Weekly Indicators

		Week Latest	Ago Week	Ago Month	Ago Year
Department store sales (% ch. from year earlier)		+5.4%	+4.5%	+12%	+14.7%
Carloading, total	(cars)	*85,436	85,238	87,861	74,814
Eastern Canada	(cars)	*57,268	57,135	58,908	48,236
Western Canada	(cars)	*28,168	28,103	28,953	26,578
Iron & Steel (mfd.)	(cars)	*1,273	1,084	1,347	1,059
Ores, concentrates	(cars)	*10,435	10,170	10,201	4,064
Base metals	(cars)	*696	562	575	571
Lumber, timber, plywood	(cars)	*5,513	5,879	5,708	4,750
Cement	(cars)	*1,351	1,394	1,332	1,197
Passenger car prod.	(no.)	1,801	3,893	5,614	....
Truck production	(no.)	730	1,093	827	....
Bus. failures 4-wk. moving av.	(no.)	17.5	18.7	18.5	23
Chartered banks					
Personal savings	($ millions)	5,697	5,665	5,609	5,211
Loans outstanding	($ millions)	4,338	4,323	4,282	4,048
N.H.A. mtge. holdings	($ millions)	184	178	159	11
Bank of Canada holdings of securities	($ millions)	2,299	2,334	2,312	2,193
Short term govern.	($ millions)	1,141	1,185	1,233	1,662
Long term govern.	($ millions)	1,098	1,084	1,023	518
Other securities	($ millions)	51	56	46	12
Canadian dollar (U.S. cents aver.)		101.611	101.053	101.375	103.217
Yield 114 stocks		4.06%	4.08%	4.16%	4.82%
Dom. Bonds yield index ('35-'39=100)		*101.9	102.2	97.3	98.0
T.S.E. industrial index		453.70	447.88	425.40	354.70
Bank Clearings					
Montreal	($ millions)	503	563	647	419
Toronto	($ millions)	727	776	683	502

*Last issue's data: latest available.

Facts by the Month

	LATEST MONTH AVAILABLE	One Month Previous	Two Months Previous	One Year Previous
WHAT WE PRODUCE				
In all industries (Index)	264.2	258.8	251.6	245.6
—In factories (Index)	273.3	268.2	259.3	254.1
Total nondurable goods (Index)	238.8	231.1	221.9	224.9
Food and bev. (Index)	241.3	218.4	200.4	230.5
Textiles (Index)	182.2	193.9	196.1	152.3
Clothing (Index)	142.4	147.9	154.0	138.0
Chemical products (Index)	307.3	299.4	284.0	301.8
Total durable goods (Index)	327.3	326.2	317.7	299.9
Iron & steel products (Index)	280.6	280.0	270.8	250.9
Primary iron & steel (Index)	345.9	347.2	336.2	243.5
—From mines (Index)	215.6	202.7	202.9	202.5
Metals (Index)	137.3	132.1	125.2	127.0
Nonferrous smelting, refining (Index)	265.4	276.2	262.3	235.9
Gold (Index)	107.1	110.6	104.0	107.2
—From farms				
Hogs graded (000)	531	468	469	430
Cattle delivered (000)	179	152	152	172
Flour (Index)	137.6	144.0	149.2	139.7
—From sea				
E. Coast catch ($000)	7,474	2,512	3,494	7,894
W. Coast catch ($000)	1,922	1,601	400	2,301
—From forests				
Newsprint (000 tons)	490	508	521	504
Pulp (000 tons)	796	830	847	792
—In powerhouses				
Electricity (Index) (seasonally adjusted)	305.7	297.9	291.9	272.9
WHAT WE SELL—				
Retail sales ($ millions)	1,181	1,121	1,103	1,057
Dept. store sales ($ millions)	91	91	93	84
Wholesale sales (value) (Index)	416.2	399.3	389.1	390.9
Mfrs. outstdg. orders (value) (Index)	78.0	79.4	79.1	82.3
Pass. car sales (units)	46 092	22 084	17,810	39,221
WHAT'S ON HAND—				
Mfrs. inventories (value) (Index)	101.3	101.0	101.0	103.1
Dept. store stock sales ratio	2.9	2.7	3.0	2.9
SPENDING SAVING POWER—				
Labor income ($ millions)	1,049	1,013	997	980
•Dividend payments (Index) (annual rate)	269.2	268.8	266.7	247.0
JOBS—				
•Persons with jobs (000)	5,388	5,458	5,324	5,405
•Jobless seeking work (000)	150	157	213	172
•Do. (% of labor force)	2.6%	2.8%	3.9%	3.1%
CONSTRUCTION—				
Contract awards ($ millions)	357	269	339	183
FOREIGN TRADE—				
Exports ($ millions)	357	383	373	329
Imports ($ millions)	372	402	435	341
MONEY—				
•Money supply ($ millions)	5,719	5,542	5,593	4,535
Cheques cashed ($ millions)	14,069	13,616	12,278	12,610
•Notice deposits ($ millions)	6,184	6,122	5,972	5,473
•Current public loans ($ millions)	3,886	3,805	3,779	3,752
Life insurance sales ($ millions)	299	294	374	252
PRICES—				
Consumer price (Index)	116.4	116.0	115.9	117.0

Index bases: production wholesale sales 1935-39=100; employment, payrolls 1949=100; consumer price index 1949=100; manufacturers' inventories outstanding orders Dec. 1952=100

STRATEGIC MATERIALS—Production and Supply—

	Latest Month	Month yr. ago	Yr. to date	% chge. yr. to date
Steel ingots and castings (000 tons)	384	249	1,022	+42
•Primary copper (000 tons)	27.5	26.1	156.7	+6
•Nickel (000 tons)	14.8	13.3	88.5	+13
Cement (000 bbls.)	2,253	2,206	11,357	+2
Lumber (millions fbm.)	670	613	3,151	+18
Lumber exports (millions fbm.)	340	220	670	+65

•New items this week.

Date of issue for your file, The Financial Post, Sept. 17, 1955.

LEASED BUILDINGS FOR SALE
Long leases to AAA1 Tenants.
Write Box 715,
The Financial Post, Toronto

WOODSTOCK, ONTARIO
Investment Opportunity
Five store business block with apartments and office suites, above. Fine location. To wind up Estate.
THE CANADA PERMANENT TRUST COMPANY
Woodstock, Ontario

DO YOU NEED WORKING CAPITAL?
If so, we can sell your properties for cash and you may
Lease Them Back
ON FAVOURABLE TERMS
For full details contact
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REALTOR
Member Toronto Real Estate Board
456 Spadina Ave., WA. 2-3154

TANKOOS YARMON LTD.
is pleased to announce its appointment as realty consultant to
AMERICAN INVESTMENT PROPERTIES LTD.
A new company formed for the purchase of Canadian real estate with available capital of $5,000,000.
We solicit offerings from all real estate firms, trust companies and attorneys.
TANKOOS YARMON LTD.
320 BAY ST., TORONTO 1, ONT. EMpire 3-5086

Plumbing, Heating, Sheet-Metal and Roofing Business For Sale
Annual gross sales $225,000.00. Living quarters 25 x 50' above shop. Selling price $125,000.00 cash. Located in town with approximately 5500 population. Oil refinery and development will increase population within next three to four years to 10,000. Wonderful opportunity for company wanting to expand. This business can be taken over as of January 1, 1956. Address inquiries to
Robbie Burns Plumbing & Heating Co. Ltd.
Box 819, Dawson Creek, B.C.

FOR LEASE
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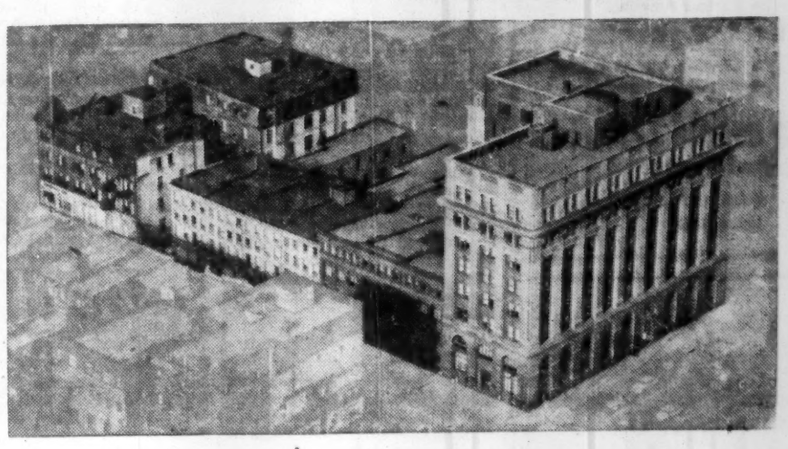

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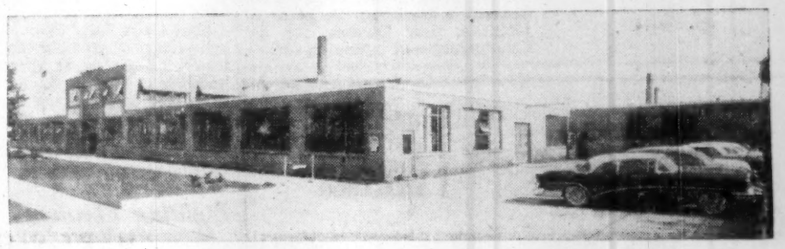

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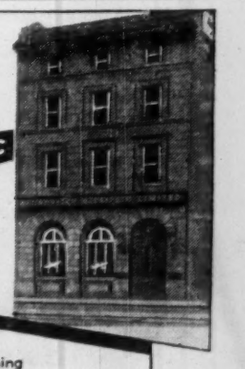

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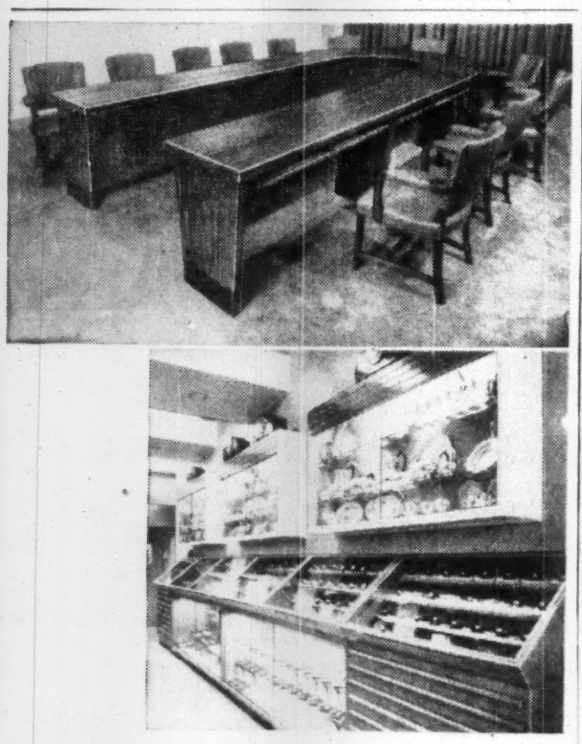

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Open Sesame

Push button on automobile's dash board operates radio controlled garage doors without driver having to move from behind the wheel. Radio transmitter in car sends out a signal as much as 300 feet away to receiver in the door which turns on the motor. Opens door, turns on light, turns out light when car is safely installed and locks the door closed. May easily be disconnected to permit hand control in case of power failure. Operates tilt-up or sectional roll-up doors provided with horizontal track when a clearance between ceiling and high arc of door travel is 2½ in. or more.

* * *

Super Chill

Inexpensive method of keeping frozen foods cold for shipping over great distances, treats goods with liquid nitrogen and cools to minus 150 deg. F. Packed and sealed in insulated aluminum containers, food can travel 40 days without the temperature rising above zero, it's claimed.

* * *

Natural Plant Feeding

New planter replacing old-fashioned flower pot scientifically feeds and waters plants the way nature does, it is said. Prevents excessive surface water from smothering or souring roots. Is necessary to add water only about every ten days and food once a month. Detachable reservoir clearly indicates when water is needed. Consists of a plant holder, food and water reservoir, a watering and feeding wick. Food and water are placed in the reservoir and drawn up to the planter through the wick. Available in bronze or ebony it weighs 11 ounces and measures 8½ in. in diameter, 3½ in. in height.

Woe for Wet Weeds

New weed killer is especially prepared for use in industrial "problem" areas where soil and moisture conditions often cause ordinary herbicides to wash away prematurely. Said to be practical for soil sterilant applications on light sandy soils and in regions with heavy seasonal rainfalls or an annual precipitation greater than 20 in. Non-flammable, non-volatile, non-corrosive and low in toxicity to humans and animals when used as recommended. Effective at any time of year, providing adequate moisture is available to carry the chemical down to the root zone, and is said to provide weed control for six months or longer.

* * *

24-Hour Bakery

Bread vending machine for use in apartment house lobbies, gas stations, parking lots, railroad stations, and outside grocery stores and supermarkets for after-hours sales holds 72 loaves in up to three varieties. Loaf lies flat, bottom side down at all times to keep it in good condition. For outdoor installations, a heating system is available which will keep the bread at 90 deg. F. the year round.

* * *

Third Hand for Painting

Aid for roller painting is new paint pad that gets into corners, around light switches and into difficult spots without smearing. May be used with varnish, oil or water based paints. Has easy-to-grip handle and replaceable pad.

* * *

Pipe Purifier

De-scaler for use in any heating or domestic hot water system prevents rust clogging and tank damage. Consists of a silver-plated rod which provides an electrolytic action to prevent formation of new deposits. Installed in boiler or tank in a short time using regular household tools.

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Paper Splicer

New unit for splicing of side rolls of paper will firmly join together as many as five narrow rolls to produce a single finished roll up to 85 in. wide. Necessity of repulping side rolls is thus almost completely eliminated and saleable mill capacity increased. Said to produce a highly acceptable finished product which in most cases can be marketed for the same price as uncut paper. Tensile strength of welded stock is as great as that of unwelded stock, and the weld, although visible is the same caliper as the remainder of the roll. Unit is particularly recommended for corrugating medium or other heavy grades of paper.

* * *

New Catalogues

Canadian General Electric Co. Toronto, announces a new bulletin featuring the Form 400 Streetlighting Luminaire, available from CGE. Bulletin said to show how the new luminaire controls light more effectively and provides better over-all visibility. Illustrates ease of service and maintenance. Also lists catalogue numbers and ordering information.

* * *

B. F. Goodrich Canada Ltd., Kitchener, Ont. has just released its 1955 Light Duty V-Belt Replacement Guide. The new guide has been streamlined for easy use, and is said to contain the most complete and accurate light duty replacement data available. There is also much additional information about service and sales promotion material.

Industrial Growth

Chain Saw Plant

Industrial Engineering Ltd., manufacturers of chain saws, have moved into their new $1 million plant at Burnaby, B.C. The plant provides some 64,000 sq. ft. of manufacturing space on an 11-acre site.

Company officials said plans have been made to move the present foundry in Vancouver to the new plant site for operation early next year. The company's "Pioneer" chain saws are sold widely in the U. S. and overseas in addition to the Canadian market.

* * *

Television Tuners

Standard Coil Products (Canada), subsidiary of Standard Coil Products Co., Chicago, has purchased a 30,000-sq. ft. plant in Mimico, near Toronto, for the manufacture of television tuners. Some 400 persons will be employed at the plant when full operations get under way. J. H. Cavanaugh has been appointed general manager of the Canadian company.

* * *

Sheet Metal Products

Rosco Metal & Roofing Products has completed a single-story plant on a 15-acre site north of Toronto, the Toronto Industrial Commission reports. The building is to house one of the company's manufacturing divisions and is part of an expansion program aimed at providing about 400,000 sq. ft. of floor space.

The company, currently employing about 450 persons, manufactures a variety of sheet metal products.

* * *

Greeting Cards

Rust Craft Ltd., manufacturer and printer of greeting cards, has leased a 64,000-sq. ft. three-story building in Toronto for finishing, packaging and shipping facilities. Total employment at the company's three Toronto plants will reach more than 300 when the additional space is occupied.

* * *

Lighting Fixtures

Steber-Woodhouse Ltd., Canadian affiliate of Steber Manufacturing Co., Broadview, Ill., expects to be in full production this month in its new 20,000-sq. ft. plant in Toronto. The plant, equipped with new equipment and showrooms, will produce domestic and commercial lighting fixtures. The company plans to sponsor lectures by authorities on illuminating topics in the plant, the Toronto Industrial Commission reports.

Radio Union Fight Battleground Set

Results of a relatively-minor strike involving some 30 people may mean quick success or failure for the four-year-old National Association of Broadcast Employees and Technicians in its attempt to organize Canadian radio-TV.

NABET is firmly entrenched in the CBC but has only a foothold in privately owned and operated radio and television outlets.

The battleground: An Ottawa station — CKOY — which is operated under lease by owner of a Toronto radio station — CKEY. The Ottawa station is owned by a local group with Duncan MacTavish, prominent lawyer, as chairman of the board.

Reason: A contract between NABET and CKOY expired nine months ago. Negotiations went to a conciliation board which unanimously recommended wage increases averaging 13% over two years. Station officials turned down the recommendations.

The walkout didn't put the station off the air. Assistance was brought from Toronto to help operate and NABET officials are digging in for a long and tedious battle.

At stake for the CIO-CCL union which came into Canada from the U. S., is full organization of some 125 privately owned stations. They now have units in some 15 outlets.

Commission Will Study Winnipeg Metro Plans

A five-man investigating commission, appointed from nominations submitted by the 16 municipalities concerned, will study amalgamation of services and territory in Greater Winnipeg.

The commission was appointed by the provincial government on the recommendation of the municipal councils, and Premier Campbell states that "very wide" terms of reference will be passed by order-in-council but only after commission members have been consulted.

Members of the commission, who will probe the whole question of metropolitan organization and administration, are: Mayor George Sharpe, Winnipeg; Mayor J. G. Van Belleghem, St. Boniface; Mayor Thomas Findlay, St. James; Councillor C. N. Kushner, West Kildonan; and J. L. Bodie, former mayor of East Kildonan.

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The Financial Post

Vol. XLIX | Member of Audit Bureau of Circulations | Publication Office: Toronto, September 17, 1955 | Twenty Cents an issue, Six Dollars a Year | No. 38

The Big Collection-Plate Boom

Fired by New Devotional Fervor, Canadians Are Crowding Into Church Pews

By JON KIERAN

Canadians today are crowding into churches.

More young couples anxious to set their children a good example, the immigrants' acceptance of the church as a common meeting ground and the psychological effects of Canada's tremendous church building program have sent religious interest climbing to new devotional highs.

And Canadians are converting this interest into strong financial support, which will this year inject an estimated $180 millions into the Canadian economy.

The new social phenomenon of suburbia is also a factor in church interest, particularly as the typical suburban dweller is a young parent. In areas populated almost exclusively by young, growing families, the interest in church services and functions is exceedingly high.

Although immigrants tend to fit into the same age and family patterns as established suburban Canadians, their church values are considerably different. It is Immigration Department policy to have new arrivals greeted by the religious group of their choice rather than by an impersonal representative of the state. The result is that the church exerts the first really Canadianizing influence upon many of these people. Naturally, they grasp at this opportunity to become absorbed in a group that is similar to something they respected in their homelands.

The third factor, the psychological one, has only recently been recognized. The church building spurt of the past decade, resulting from the combination of religious revival, the suburbia trend and lack of building during depression and war years, has created a whole new field of debt.

Responsibility for these capital debts rests heavily upon the congregations and their pastors with the result that church members are finding themselves recruited into fund raising platoons and various other parish projects. With these extra-religious church activities seems to come a greater understanding of and appreciation for the more religious functions of the church.

As one church supply company executive put it: "There's nothing like a big debt to put a church on its feet."

Whatever the combination of causes, Canada's 15,000 churches are experiencing an era of unsurpassed prosperity. Annual income is estimated at $180 millions.

Who Goes to Church?

Almost all Canadians consider themselves members of a church, but surveys show that about 60% really do attend services regularly. Of the six million persons who listed themselves as Roman Catholics during the 1951 census, some 80% are found in church regularly. Of the six million Protestants, some 40% to 50% take an active or periodic interest in church affairs and services.

While twice as many Catholics go to church each Sunday, Protestants put twice as much in the collection plate when they do go. Their contribution averages $30 per year from each active adult Protestant.

One reason for increased church attendance has been the greater effort of churches to "sell" their ideologies.

This week, Ontario was girding itself for an evangelical invasion destined to set new promotional marks which conventional churches can't hope to match.

Billy Graham, the sharply dressed U. S. evangelist who has already preached to 12 million people on two continents, will arrive in Toronto this Sunday to lead the biggest and liveliest religious crusade ever held in Canada.

Some 300,000 Canadians are expected to come and hear the Graham brand of religion —a sort of universal Gospel which transcends denominational differences. Graham has used every known commercial merchandising trick plus a few of his own to reach an audience as large as any in the history of Christianity.

He says: "I am selling the greatest product in the world . . . why shouldn't it be as well promoted as soap?"

The month-long Billy Graham Crusade will operate on a promotion budget of $100,000. Its success, guaranteed months before the evangelist arrived, represents a symptom of important new trends in Canadian religious thinking.

The church supply business which, apart from Roman Catholic needs, was virtually non-existent in Canada 10 years ago, has blossomed forth into a big item for firms that previously confined their efforts to lodge regalia and club ceremonial equipment.

CANADA'S nine million regular church-goers will this year leave $180 millions in the collection plates of this country's 15,000 churches. The average offering by Catholics will be $15, while the typical Protestant will contribute $30, though he goes to church only half as often.

Supply house executives are among those anxious to take some credit for the boost in divine meeting attendance. The architects claim their designs are part of the reason.

Modern architecture has opened up an entirely new concept of religious meeting atmosphere, say some designers. Others deplore the trend to the moderns and continue looking to Gothic styles for their basic inspiration.

Chief among the contemporary adherents are Hanks & Irwin, of Toronto. The 40 churches drawn by Hanks & Irwin have included buildings from Nova Scotia to Alberta. Cost per seat averaged between $175 and $250, with brick or cast concrete buildings being erected for about 70c per cu. ft. compared to some $1.50 per cu. ft. for cut stone buildings in the more affluent districts.

Notable to Mr. Irwin is the steady demand for smaller and smaller churches. The day of the large church has nearly passed, he says. He cites the 300 to 400-seat building as the modern average.

Architect Dick Fisher who designed one of the earliest and best known contemporary church buildings in Toronto, for a Unitarian congregation, is quite pleased to see the trend toward more contemporary thought.

"Some of our loveliest old churches were not Gothic," he says, "yet somehow there has developed a situation where the majority of people only think of church architecture in terms of either Gothic or non-Gothic."

Trend to Meeting Halls

James H. Haffa, with the design of some 60 churches to his credit, is a traditionalist. He feels that contemporary architecture can be the ideal expression of a church congregation yet finds in actual practice that most contemporary designs fail to meet the standards of religious feeling. Too many contemporary church buildings are meeting halls, not temples for worship, he criticizes.

Whatever the style, large-scale church construction in Canada will continue for some time.

Average furniture and initial supply cost runs about 10% of construction price. Spokesmen for most of the major denominations report they are unable to build new churches quickly enough to meet the demands of new communities and rapidly growing old parishes . . . all this despite a new social trend that is worrying the leaders of just about every single large denomination.

As a Roman Catholic monsignor put it: "Ancillary devotions are not as popular as they were a generation ago. Our Sunday morning congregations seem to have increased a hundredfold but fewer and fewer people come to afternoon or evening devotions." The same trend is noticed in Protestant churches, where Sunday morning attendance is much higher than it used to be, but evening services are drawing fewer persons.

Television, motor cars, do-it-yourself activities account for this trend, the priests, rabbis and ministers believe.

Poor attendance at ancillary devotions, however, is the only major soft spot in the church picture today.

Supplying the materials and specialized articles used by churches are several hundred retail outlets, and a handful of larger firms operating on a regional basis. Quebec, of course, with its high proportion of Catholics and their love of symbolism and color, provides the biggest and most competitive market.

Symbolism Attitude

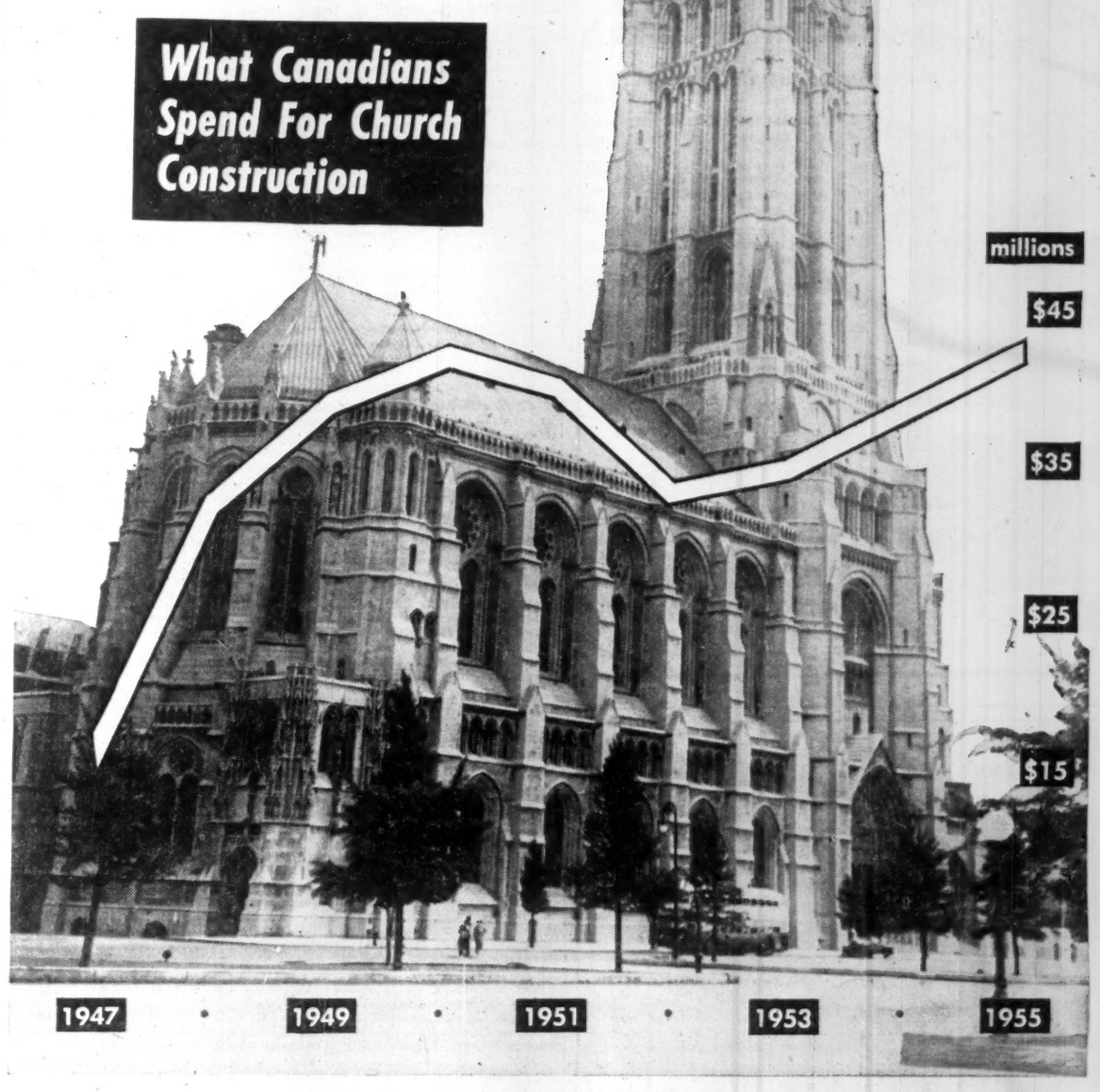
Ontario is fast catching up, however, because of the change of attitude toward symbolism in a number of Protestant congregations.

At one time only Anglicans and Lutherans were considered sources of Protestant church symbol business, but now nearly every major communion is becoming conscious of a desire for more color. Dominion Regalia Ltd. supplies the largest share of this growing Protestant market. Its sales doubled to about $100,000 during the past year. "Our sales of specialized church equipment will be near the $1 million mark within a few years," General Manager Edward Armstrong predicts.

Desmarais & Robitaille, Montreal, the largest Roman Catholic supply house, estimate sales at $1.5 millions. Including the furnishing and supply of newly built churches, the refinishing of older ones and the continuing supply needs of all parishes, the supply businesses now total some $10 millions per year.

Included in this figure are vestments, altarware, statuary, organs, choir gowns, pews and other furniture. The major department stores maintain church departments in their contract divisions and one, Eaton's, reports a 200% business increase during the past four years.

Apart from the continuing Catholic demand for church objects, all this business has been created since the war years. The trend to symbolism was first noticed in the U. S. Protestant churches early in the '30s and it was favorably received there. By 1935 isolated churches in Ontario were beginning to consider more emphasis on symbolism.



Peculiar to this business is the demand for excellence. Dominion Regalia, for example, finds that many churches place orders without even asking for a quotation or without discussing cost. The firm also has discovered that most of its clients are willing to absorb a 100% cost increase providing it allows for the creation of a quality article.

But in Quebec this isn't always so. There has been an age-old liturgical tradition in Catholic churches and as there always has been a market to serve, there are more people trying to serve it.

Own Statue Plant

To round out its complete service to Catholic churches, Desmarais & Robitaille operates its own statue and candle manufacturing units. It operates a design department and does all its own silversmithing and metalwork. It maintains a large traveling sales force and does a lot of its small item business by mail. It will design an altar, contract for the supply of pews and furniture, and even produce a $15 toy altar, complete with miniature vessels, for gifts to children on religious occasions.

Smaller, though similar, organizations headquartered at Winnipeg and Vancouver supply most of the Catholic needs in their areas as well as competing with the Quebec and Ontario firms for the mail-order trade. Most of them are in the export market as well.

Largest export item is the vestment trade and the biggest customer is the U. S. Canadian vestment makers such as Robert Gens et Cie., of Montreal, find they can lay down primary specialized textiles originally imported from the U. S. at lower cost than the American converter. Both Catholic and Anglican priests are included in this market.

About 80% of the production is exported to U. S., Asia and to such countries as Israel. Peculiarly, however, the biggest market potential for vestments remains untapped. South America represents a vestment market that would probably surpass all of North America's needs yet Canadian firms find that restrictions, heavy import duties for samples, and other problems discourage even sporadic sales attempts.

Until 1940, French and Italian vestment manufacturers dominated the world market for their products and it was only when wartime shipping dislocations put them out of the export business that Canadian and U. S. makers were able to produce in enough volume to give them a competitive edge.

Unaffected By Slump

Though vestment manufacture and the accompanying primary textile industry is not a volume business, it is playing a big part in Canada's existing church supply picture. None of the 30 vestment makers in Canada has suffered during the recent textile product slump and some, such as Les Ateliers des Arts Liturgiques, Desmarais, Gens and Gaspard Agencies in Winnipeg appear to have prospered.

Buyers of vestments usually emphasize that they want the finest material and embroidery possible. As a result, the vestments required for a normal-sized Catholic church require a total investment of $5,000.

On the other hand, quality and distinctiveness is not a great factor in the purchase of choir gowns; these are mass produced by specialists who compete "at cut-throat rates," according to businessmen in the more conservative church lines.

Another area where competition is keen is in the supply of pews and furniture. Many churches want the best but they also want it at a price. Pews are relatively standardized as to design and manufacturers can produce pews for synagogues, cathedrals, Catholic or Protestant churches without allying themselves with one communion or another, which seems to be the case of the other suppliers.

Competition and price-consciousness is also making itself felt in the field of church music. Whereas most large metropolitan churches wouldn't think of buying anything but a fine pipe organ a few years ago, the cost-conscious trend has boomed the electric organ market.

The switch to a $5,000 electric organ, in place of the traditional $50,000 pipe instrument, began slowly in the late '30s. It has been accelerating ever since. According to manufacturers, electric organ sales will continue to boom in Canada for many years to come.

One standard that isn't changing, though, is the demand for quality memorial windows. It has remained unchanged since Joseph McCausland arrived here from Ireland 100 years ago and set up a stained glass window business that has prospered to this day. Gordon McCausland, great-grandson of the founder, imports sheets of color-fired glass from England and has his skilled designers and cutters fashion it into windows that are sold to Protestant churches from coast to coast.

Business is normal at the McCausland plant now and it is expected to stay that way until the current construction boom has its delayed effect—some 10 years hence. Most new churches are economizing on glass. It's the older ones that create the major market for the hand-fashioned stained variety.

The Fund Raisers

There are two major fund-raising organizations in Canada, one specializing in churches, and the other dealing only with community-wide projects, such as hospitals, universities and philanthropic agencies.

The Wells Organization operates only in parishes, raising funds from local sources for new construction, renovation, or even maintenance programs. In its work with all major religious groups, Wells executives have found "a substantial — even amazing" — church interest increase following a fund-raising campaign.

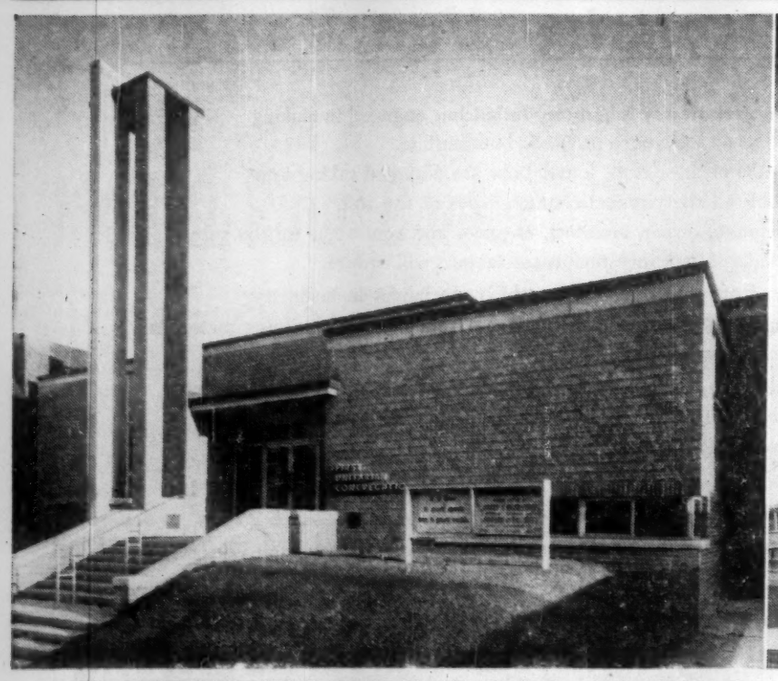
This year the firm has 225 campaigns scheduled or completed. It expects some 250 next year. Though it would prefer not to total up its aggregate results, it appears that these professionals helped churches acquire some $25 millions last year.

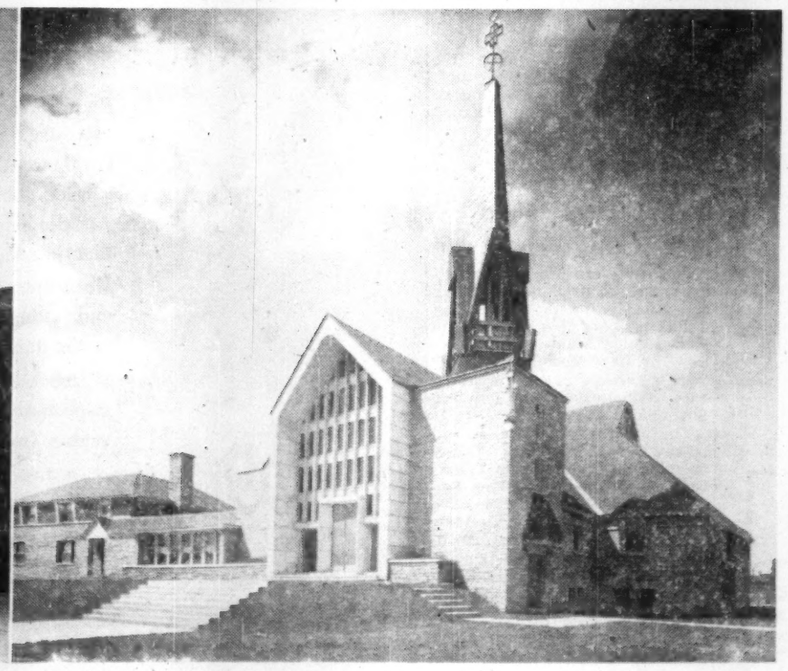
Another organization is G. A. Brakeley, a firm designed for more widespread activities than the parish projects of Wells. Brakeley figures give an indication of the extent of church spheres that would not be found normally at the parish level.

During the past five years the company has conducted, planned, or has in prospect, campaigns totaling $43 millions for official religious bodies. Most of these campaigns have been for hospitals that are owned by religious groups. Some have been for colleges, such as the University of Toronto's St. Michael's College (a Roman Catholic arts school) and Trinity College (an Anglican arts school).

The meaning of these church activities, socially and economically, is impossible to assess exactly but there is good reason to believe that the effects are much more far reaching than most persons have yet realized.

How Our Churches Are Changing





TYPICAL NEW CHURCHES: Design for liberalism is the theme of architectural expression created, left, by Architect Richard A. Fisher for a Toronto Unitarian congregation. This church was opened in 1951; construction cost totaled $150,000. At right is the Roman Catholic church of St. Emil, near Montreal.

Architects Robillard, Jette, & Beaudoin describe it as "contemporary French Canadian melting pot" — modernity with traditional influences. It was completed in 1953 at a cost of $250,000, which includes a finished basement and adjoining presbytery.

How To Leave Your Church Money

A small but growing business in annuities is providing financial help to many Canadian churches, mission societies and other religious bodies. The church annuity plans vary in detail, but are alike in principle.

Typical is the plan operated by the United Church of Canada. Under this plan, the individual makes a gift of money or securities to the church, and draws a life income from that gift. The income is composed of earned interest plus a part of the principal, and is paid at a rate which varies according to the donor's age when making the gift.

If the gift were made by an individual at age 50, for instance, return would be 4.3% for life. This ranges upward through 5% at age 60, 6% at age 68 and 8% at age 76 or over. Provision is also made for joint-life-and-survivor annuities, where the gift is made by two persons.

The church, on receiving the gift, applies the money either to its general work, or to some special branch of church work as designated by the donor. Any remaining capital, upon the death of the annuitant, reverts to the support of the same work. Minimum gift is $100.

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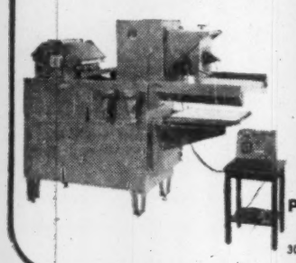

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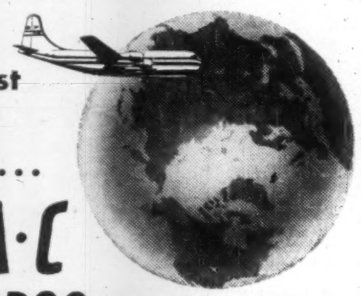

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Defense Contracts

In the period Aug. 1-15, defense contracts amounting to $17,798,212 were placed by the Dept. of Defense Production, including $1,003,406 awarded by Defense Construction (1951) Ltd. Largest contract was the $12,247,267 award to Canadian Arsenals Ltd. for production of the new FN automatic rifle. Here is a list of all contracts over $10,000, not including those on the classified list:

Contractor	Commodity	Value
Bristol Aero Engines Ltd., Montreal	reconditioning of engines	$ 48,000
Building Products Ltd., Toronto	building supplies	13,775
Canada Packers Ltd., Halifax	meat	21,260
Canada Packers Ltd., Halifax	meat	43,588
Canada Packers Ltd., St. Boniface	meat	17,458
Canada Packers Ltd., Vancouver	meat	13,275
Canadair Ltd., Montreal	modification of aircraft	100,000
Canadair Ltd., Montreal	aircraft accessories	19,819
Canadian Arsenals Ltd., Ottawa	rifles	12,247,267
Canadian Dressed Meats Ltd., Toronto	meat	19,360
Canadian Hoffman Machinery Co., Toronto	ships' laundry equipment	41,928
Canadian Marconi Co., Toronto	electronic tubes	13,725
Canadian National Institute for the Blind, Toronto	panniers	11,171
Canadian Westinghouse Co., Ottawa	ships' electrical equipment	20,962
Canadian Westinghouse Co., Ottawa	generator sets	13,950
Carriere & MacFeeters Ltd., Toronto	aircraft energizers	25,000
Clayman & Sons Ltd., Montreal	clothing	46,810
Combustion Engineering-Superheater Ltd., Montreal	ships' machinery	47,120
Coppley, Noyes & Randall Ltd., Hamilton	clothing	12,126
Coppley, Noyes & Randall Ltd., Hamilton	clothing	37,027
Coppley, Noyes & Randall Ltd., Hamilton	clothing	341,084
Cossor (Canada) Limited, Halifax	ships' equipment	18,693
Crystal Glass & Plastics Ltd., Toronto	acrylic sheets	29,981
De Havilland Aircraft of Canada, Toronto	technical publications	700,000
Dial & Instrument Finishers Ltd., Toronto	watches	19,044
Dunlop Canada Ltd., Toronto	aircraft tires & tubes	90,233
Dustbane Mfg. Co., Ottawa	floor polish	38,315
Dustbane Mfg. Co., Ottawa	floor polish	17,244
Electric & Gas Welding Co., Montreal	automotive spares	11,552
Empire Crockery Co., Montreal	kitchen equipment	10,130
Engineering Products of Canada Ltd., Montreal	ammunition components	21,681
J. G. Field & Co., Tavistock	clothing	15,930
Firestone Tire & Rubber Co. of Canada, Hamilton	recoating of radomes	10,000
Frigidaire Products of Canada Ltd., Toronto	refrigerators	23,540
Gardner Furniture Reg'd., Longueuil, Que.	office furniture	29,823
General Motors Products of Canada Ltd., Oshawa	modification	17,375
Gilson Manufacturing Co., Guelph, Ont.	electric refrigerators	10,475
J. Gradek Woodwork Enrg., St. Eustache Grande Fresniere, Que.	ammunition containers	70,902
Halliday Fuels Limited, Toronto	coal	73,530
T. W. Hand Fireworks Co., Cooksville	pyrotechnics	290,527
T. W. Hand Wireworks Co., Cooksville	pyrotechnics	32,766
Hill-Durham Forgings Ltd., Lachine, Que.	ships' equipment	24,969
Hobart Manufacturing Co., Toronto	food mixing machines	24,032
Imperial Oil Ltd., Ottawa	aviation turbine fuel	26,300
Imperial Oil Ltd., Ottawa	aviation gasoline	140,775
Independent Cap & Hat Co., Montreal	clothing	12,845
Instruments (1951) Limited, Ottawa	training aids	470,525
Interlake Tissue Mills Co. Ltd., Toronto	paper products	67,846
International Harvester Co. of Canada, Hamilton	trucks and bus	17,951
International Harvester Co. of Canada, Hamilton	electric refrigerators	20,544
G. F. Kelk & Co., North Park, Ont.	test instruments	11,890
William J. Kerr, Jr., Chatham, N.B.	rental of dump trucks	10,900
William J. Kerr, Jr., Chatham, N.B.	rental of dump trucks	10,000
Kitchen Installations Ltd., Ajax, Ont.	coffee urns	17,111
F. Longdon & Co. (Canada) Ltd., Toronto	clothing	29,015
McDonald Bros. Aircraft Ltd., Ottawa	pyrotechnics	37,050
Machine Products Corporation, Montreal	clothes lockers	10,228
Machine Products Corporation, Montreal	metal cabinets	20,973
Machine Products Corporation, Montreal	warehousing equipment	10,320
Manitoba & Saskatchewan Coal Co., Winnipeg	coal	67,340
Massey-Harris-Ferguson Ltd., Toronto	tractors	25,731
Mercury-Chipman Knit Ltd., Hamilton	clothing	41,980
Miller & Gabbe Ltd., Montreal	clothing	153,632
Northern Electric Co., Ottawa	communication equipment	12,006
Pacific Meat Co., Vancouver	meat	12,555
Principal Cap & Sportswear Inc., Montreal	clothing	14,384
Robinson Cotton Mills Ltd., Toronto	cloth	11,965
Rousseau Reiman & Neron, St. Agapit Station, Que.	ammunition containers	10,902
Rudel Machinery Co., Montreal	automatic chucking machine	97,600
Scotch Anthracite Coal Ltd., Montreal	coal	12,732
Shell Oil Co. of Canada, Toronto	diesel fuel oil	16,867
Simonds Canada Saw Co., Montreal	hack saw blades	21,899
Standard Aero Engine Ltd., Winnipeg	auxiliary generating sets	75,000
Standard Telephones & Cables Mfg. Co. (Canada) Ltd., Montreal	communication equipment	315,468
Swift Canadian Co. Ltd., Moncton, N.B.	meat	14,040
Swift Canadian Co., Vancouver	meat	10,630
J. Spencer Turner Co., Hamilton	cloth	10,900
Union Milk Co., Calgary	dairy products	26,280
Unique Crests & Athletic Supplies Ltd., Toronto	clothing	78,192
A. Wander Limited, Peterborough	medical supplies	10,151
Weiss Glove Mfg. Co., Montreal	clothing	21,207
A. R. Williams Machinery Co., Ottawa	engine lathe	10,474
W. Gary Wright Electronics of Canada Ltd., Whitby, Ont.	crystals	13,551

CONTRACTS AWARDED BY DEFENCE CONSTRUCTION (1951) LTD.
August 1-15, 1955

Cameron Contracting Limited, Halifax: pedestrian tunnel	32,500
Canadian Comstock Co., Montreal: air conditioning system	37,343
Dominion Bridge Co., Lachine, Que.: steam generating unit	36,450
Edmonton Crane Service, Edmonton: office section warehouse	37,355
Paul Groleau & Laurent Tellier, Trois Rivieres, Que.: fire hall	52,400
Kenny Construction Co., Yarmouth, N.S.: dinghy test tank	120,000
Mannix Ltd., Calgary: general grading	104,360
Smith & Elston Co., Timmins: heating and ventilating	24,061
M. Sullivan & Son Ltd., Arnprior, Ont.: officers' mess	558,737

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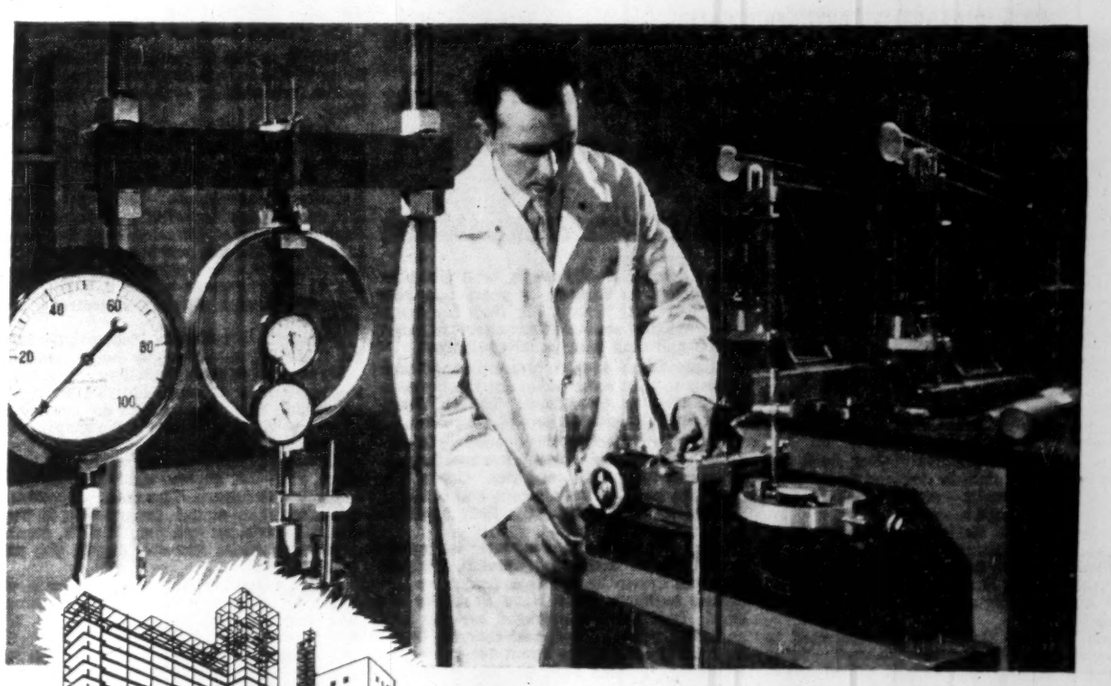
U.K. Firm Buys Part of Galt Brass

Peglers Ltd., Doncaster, Eng., has acquired an interest in Galt Brass Co., Galt, Ont.

Peglers Ltd., established 1899, and Galt Brass, established 1907, are both manufacturers of plumbers' brass fittings for housing, hospitals, public institutions and industrial establishments.

Peglers also manufacturers a large line of valves and engineers' brass fittings. Company is described as the largest manufacturer in that field in the British Commonwealth and its products are sold in many world markets.

The announcement, made by A. H. Smith, Peglers' managing director, and President H. A. Saunders of Galt Brass, said the directors, management and staff and established policies of the Galt Brass Co. will be continued.



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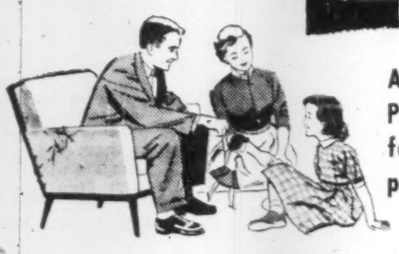

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WESTERN BREWERIES LTD. issued 16,895 shares during August under share purchase plan and conversions of debentures. Now 714,365 shares outstanding and 285,635 shares in treasury.

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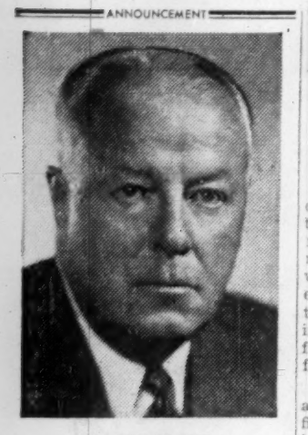

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The investment firm of Goodwin Harris & Company members of the Toronto Stock Exchange have announced that Mr. W. Fred Stewart has recently become associated with the company.

Mr. Stewart has for many years been active in the investment field. He is a director of the Canadian Commerce Insurance Company. For 23 years he was also a director and the treasurer of Corporate Investors Ltd.

CANADA WIRE & CABLE CO. after conversion of debentures had 2,452 class A shares and 205,096 class B-shares outstanding at Aug. 31.

Provinces Plug For Tax Rental

Tax Views Aired In Rehearsal for Full-Dress Conference

By MICHAEL BARKWAY

HALIFAX (Staff) — Vigorous opposition to the abandonment of the tax rental system between federal and provincial governments emerged last week end when senior officials of Canada's eleven governments met here for the last of the officials' meetings in preparation for next month's full-dress federal-provincial conference.

The federal delegation included an impressive array of senior officials from many departments headed by R. B. Bryce, secretary to the Cabinet. All the provinces were represented by their deputy provincial treasurers or officials of comparable rank.

The major subject of discussion and argument was the federal plan for "equalization payments" in lieu of tax rental agreements which was fully reported in the Financial Post of Aug. 27. Before the Post report appeared few of the provincial governments had realized how far Ottawa thinking had veered toward an abandonment of the tax rental system. It was, therefore, the first subject raised at these final meetings of the federal-provincial preparatory committee of officials.

In reply to vigorous provincial enquiries about the Post report, federal officials convinced the provincial representatives: —

—That the plan outlined (which involves giving up tax rental payments, leaving each province free to collect its own income taxes, and making "deficiency payments" to level up the yield of a given rate of taxes in the poorer provinces) is being studied with considerable favor in Federal Government quarters.

—That the Government is still not committed to the plan, and that it could still be substantially modified.

Provincial Opposition

But some of the provinces were not fully satisfied with the second part of this assurance. (Which, indeed, was stated in the original Post report.)

The bluntest opposition came from the Prairie Provinces, which were recalling the stated objectives of the tax rental agreements — not only the provision of a minimum level of provincial services which the equalization formula would provide), but also the avoidance of double taxation and the centralization of fiscal control for economic purposes in the Federal Government.

"Were these objectives now to be thrown out of the window?", the provincial representatives asked.

The officials from the Atlantic provinces were slower to voice outright opposition, though there were adequate signs outside the conference room that Nova Scotia at least would strenuously object to the ending of the agreements.

Reaction in other, richer provinces were more doubtful.

British Columbia is pressing its own scheme which bears some resemblance to the federal "equalization formula," though it demands a much larger field of taxation for the provinces. B. C. would like Ottawa to yield to the provinces which can gain from them a substantially larger share of the income taxes on persons and corporations. (It suggests at least the rates levelled in B. C. before the war, which included a corporation tax of nearly 10%, and a sliding scale on personal incomes which ranged from about 1% to 19%.)

But once the provinces had been given this large slice of the income tax fields, B. C. would still be anxious to make its tax law conform to the federal law, and to have the Federal Government collect the taxes for the province. From the federal point of view the objection to this plan is its heavy cost.

Quebec, represented by George Schink, comptroller of provincial revenue, showed considerable interest in the equalization formula. But no indication was given that Mr. Duplessis' attitude toward the division of taxing powers had changed or was likely to change.

Ontario which may hold the key to the new taxation arrangements, gave little clue to its attitude. But there was some suggestion from its representatives that Ottawa was going a little too far in proposing to make up tax yields in all the other provinces to the level of the very highest—Ontario itself.

One New Approach

Out of discussions which were confused both by the complexity of the subject and by the very elasticity of the federal approach, one possible new approach emerged. This was not stated explicitly at any stage, but it appeared to be implicit in the various different views stated.

This formula would represent a sort of marriage between the old tax rental agreements and the new equalization formula.

It would continue tax rental agreements between Ottawa and any province that wishes to participate, and would thereby ensure the continuance of general tax uniformity among the agreeing provinces and the maintenance of federal control over the general level of taxation. But the tax rental payments would be based on a new formula, which would be the estimated yield of certain taxes in Ontario, where yields are highest.

The taxes to be regarded as the provincial share will probably, in any case, have to be increased from the 10% of the federal rate on personal income tax, plus 7% on corporation profits, plus 50% of succession duties on which the original equalization plan was based.

For purposes of argument in describing the new scheme, the provincial share might be 10% of personal income tax, 10% on corporations and 50% of succession duties.

Ottawa could, it is suggested, compute the per capita yield of these taxes in a given base year in Ontario. The payments to the provinces — without requiring them to raise any income taxes — could be based on this per capita yield multiplied by the number of tax payers in each province.

Payments in subsequent years would be based on this original calculation with an increase to be determined according to rate of growth. But the first year's payments would provide a guaranteed annual minimum (which could also be made to rise progressively).

On this basis, an agreeing province could have all its taxes collected for it and also be safeguarded against any decline in revenues in bad years. Ontario would get precisely the equivalent of the 10-10-50 in taxes which it might raise for itself, plus the economies of not having to collect the assurance of revenues in bad times. All the other provinces would get these advantages plus a higher yield than they could get for themselves.

Tax uniformity and federal control over tax levels would be maintained. Tax rental agreements would be signed.

Quebec Possibilities

Quebec, if it still wished to avoid entering an agreement, would at least be left a considerable field — up to 10% of the federal tax on personal incomes, plus 10% on corporations, plus 50% of succession duties — within which it could levy its own taxes without double taxing. The federal offer would include a promise of tax abatement (on the present temporary model) up to these limits. Quebec or any other province which wished to raise its own taxes could also be offered a deficiency payment to make up its yield from the stated taxes to the same maximum yield as the other provinces.

In either case, it is argued, the cost to Quebec of staying out of the agreements — which the Federal Government is anxious to reduce — could be brought down to much narrower proportions.

Cost to the federal treasury of a scheme on some such lines as these might run to $100 millions a year extra, over and above the present cost of the tax rental agreements.

While federal and provincial officials have been discussing these numerous alternatives here, none of the governments has yet taken a definitive position. When the ministers in Ottawa and the provincial capitals do come to decide firm lines of policy, they will at least be acquainted with some of the reactions to expect.

On the federal side it is being stressed that there is still more than a year before the present agreements expire. The October meeting need not, and very likely will not, provide definite answers. But everyone of the provinces is deeply concerned with the sort of proposal Ottawa may make to them in October. And there is a majority of provinces—by number if not by population—which will strongly resist the termination of the rental agreements, the tax uniformity and the centralized control of fiscal policy which they represent.

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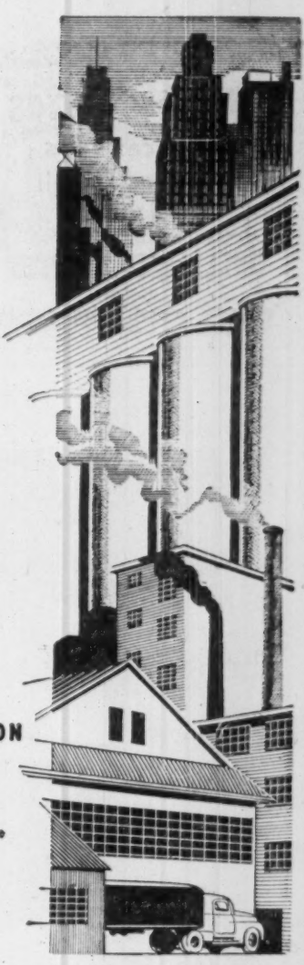

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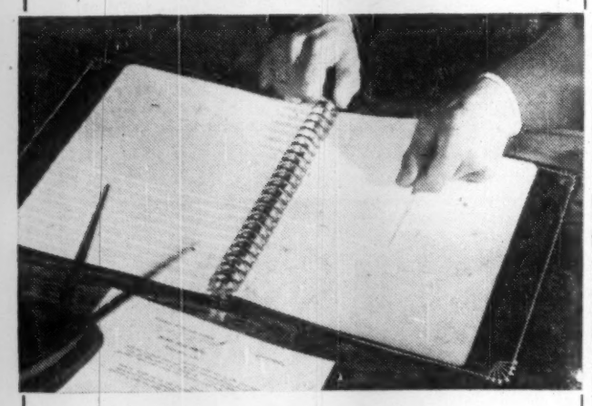

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U.S. Firm Plans Realty Deals Here

American Investment Properties Ltd., a Canadian company formed by U.S. investors, has announced plans to build up a diversified portfolio of realty investments in Canada.

American Investment Properties' plan, according to its presidents, A. Fred Williamson of New York, is to acquire commercial and office properties throughout Canada. Properties must have a minimum value of about $500,000. Company will consider construction of office buildings and distribution centres in major urban areas, he said.

Company's first acquisition was a four story building at 91 Yonge St. in downtown Toronto, held at $400,000. It was purchased from Jacques M. Hoffman through Chambers & Meredith, Toronto real estate brokers. Several other purchases now under contract will be announced shortly, it's stated.

Tankoos Yarmon Ltd., a Toronto firm formed by U. S. interests last January, has been appointed to act as the new investment company's realty consultants.

American Investment Properties was formed by a group of investors living in several of the major cities along the Eastern U. S. seaboard, President Elliot N. Yarmon of Tankoos Yarmon states. The group will be able to draw on immediate cash resources exceeding $5 millions, he says.

City of Woodstock Issue Offered

An issue of $235,192 City of Woodstock 3½% and 4% debentures, is being offered to the public at $101.2 by a syndicate composed of Equitable Securities Canada Ltd. and Royal Bank of Canada.

The issue, dated Sept. 1, 1955, consists of $44,692 3½% debentures and $190,500 4% debentures maturing 1956-65.

City will use $9,500 of proceeds for acquisition of site for a public school, $181,000 for construction of school, and $44,692 for various local improvements.

BURNS & CO. rights sold for cash on Sept. 7 and 8 and were removed from trading at 12 noon on Sept. 8.

Solution: A bank loan

You may need extra cash for doctors' bills, for house repairs, to save on a season's fuel supply — or for any sound reason. Don't hesitate — see the bank about it. It's the natural thing to do.

The chartered banks, through inexpensive personal loans large and small, make it possible for people to meet pressing needs or take advantage of bargains. At any branch, you can count on consideration, courtesy, privacy. It is a simple matter to arrange a loan, repayable out of income in instalments that suit your convenience.

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SAVINGS ACCOUNTS — Keep your money safe; pay you steady interest; encourage the habit of thrift.

TRAVELLERS CHEQUES — Protect you against theft or loss of cash. They are readily negotiable anywhere.

LETTERS OF CREDIT — For travellers on extended trips, or to finance business transactions at a distance.

HOME IMPROVEMENT LOANS — For repairs, alterations or additions to your home.

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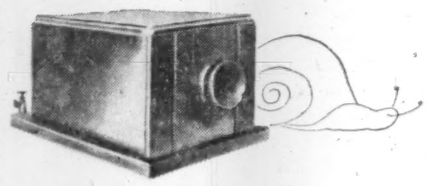

The snail and the greyhound

IF you were suddenly required to use an 1877 or '88 telephone, you would have to switch the single transmitter-receiver awkwardly from ear to mouth. And Long Distance service — though a miracle of speed at the turn of the century — would seem "slow as a snail" today.

But your modern telephone is "sleek as a greyhound". A few smooth turns of the dial and a two-way conversation instantly becomes a personal visit. Before too long you'll be able to dial out-of-town numbers right from your own home or office. Even now, most of our Long Distance operators can dial far-away numbers without benefit of intermediate operators. A central electronic "brain" masterminds in split seconds the fastest routes to millions of telephones all over the continent.

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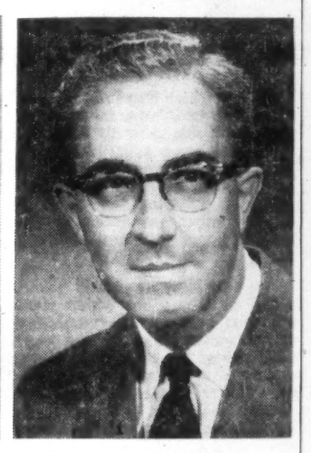
They Head Community Chest Drives

ROBERT M. MOORE is the 1955 campaign chairman for the Community Chest of Greater Victoria. He is Vancouver Island manager for the Mutual Life Assurance Co. of Canada. Previously he had worked at Edmonton, Fort William, Ottawa, Calgary, Toronto, and Waterloo, Ont. Last year Mr. Moore was Community Chest canvasser instructor and in 1947 he was chairman of the Edmonton Community Chest campaign. He also headed Edmonton's CNIB building campaign in 1948. He is a winner of the Edmonton Citizenship Award, 1948, a past-president of the Edmonton Kiwanis Club, former Lieutenant-Governor of Alberta Kiwanis, and a director of the Life Underwriters' Association. He is a director of the Victoria CNIB, and of the Sales Executive Club.

FERDINAND BIONDI has been named general chairman of Montreal Federation of French Charities 1956 campaign. He is program director of radio station CKAC. Mr. Biondi is president of the University of Montreal's Social Sciences Alumni, president of the Italian Cultural Society Danta Alighieri, member of La Société des Ecrivains Canadiens, Chambre de Commerce, Canadian Club of International Affairs. He is one of Montreal's foremost French radio personalities. He began his radio career in 1936 as an announcer and he has acted as director of special events, chief producer, director of public relations, and artistic director. He has been a member of the Federation publicity committee for 10 years, for two of which he was chairman.



R. D. BENNETT is the general chairman of the Kingston Community Chest campaign for 1955. He has been active in Community Chest affairs since 1946 and currently he is vice-president of the Kingston organization. Mr. Bennett is technical services manager of the textile fibres division, Du Pont Company of Canada Ltd. He was born and educated in Montreal. He graduated in engineering from McGill University and obtained his Ph.D. in 1935. He has been associated with the chemical industry throughout his career, in research, sales service and production. He has been active in nylon manufacturing since 1941. He is a member of the Engineering Institute of Canada and the Rotary Club of Kingston.

Quebec Hydro Will Tap Full Bersimis Plant, Delay Lachine

MONTREAL (Staff) — It looks like the green light has been given to harnessing the full capacity of Bersimis before tapping the big power potential of the Lachine rapids.

Premier Duplessis is reported to have said in Quebec City that work is nearing completion on the initial development of 1.2 million hp. on the Bersimis and this will later be expanded to 1,750,000 hp.

This would indicate a further development of 575,000 hp on the Bersimis. It is understood this will begin as soon as possible at First Falls, about 18 miles downstream from Quebec Hydro Electric Commission's No. 1 plant scheduled to start generating power by the end of 1956 and gradually building up to its 1.2-million-hp. rate by 1959.

Quebec Hydro is understood to be thinking in terms of installing four generating machines at the no. 2 plant. If these plans are firmed, the new plant on the Bersimis might generate about 625,000 hp., about 50,000 hp. higher than the figure suggested by the Quebec announcement.

At the same time, Hydro officials are reported nearing completion on a survey of the Manicouagan River where they indicate a potential of more than two million hp. Quebec Hydro is working on long-range plans for using all the power potential of the Bersimis and Manicouagan rivers and the Riviere Aux Outardes which has a peak potential of one million hp.

The Quebec statement could also imply that plans for development of the Lachine Rapids have been temporarily shelved. The original plan was to develop it as part of a joint power-navigation scheme and there have been indications that Quebec Hydro has been investigating a plan which would tie it in loosely with the Seaway.

However, the chief reason for tapping Bersimis originally was to get power at least by 1957. This has been pushed ahead about a year. Further development, it is suggested, would likely proceed faster than Lachine even if a plan was worked out.

One thing in support of this view is that regulation of the water will already be completed as part of Bersimis no. 1 and access roads, a townsite etc. are completed.

Quebec Hydro could derive a further 600,000 to 800,000 hp. by developing a third section of Beauharnois. But there are complications in such an operation. Further water would have to be diverted from the St. Lawrence River and this could create problems concerning the Cedars Plant which has a capacity of 200,000 hp. It could be in the position of having a plant without enough water. A somewhat similar situation might develop if Lachine was developed.

Two Dosco Cos. Plan Expansion

MONTREAL (Staff) — Construction is expected to begin shortly on two new steel products plants in Montreal of two subsidiaries of Dominion Steel & Coal Corp. The cost: $2 millions.

Canadian Bridge Co., Windsor, will produce steel towers to carry power lines in one new plant to be built in Montreal while another subsidiary, Truscan Steel Co. of Canada Ltd., Montreal, will manufacture steel joints and other products, in another new plant.

Details were not available, pending completion of final plans. However, it is understood the products will be sold in Quebec and the Maritimes as well as part of Eastern Ontario.

Another Dosco subsidiary, Canadian Tube & Steel Products Ltd., also of Montreal, will supply most of the steel for the two businesses, it is understood.

Find .8% Higher Protein Content In '55 Wheat Crop

From Our Own Correspondent

WINNIPEG — This year's prairie wheat crop — now in the advanced stages of harvesting — is high in protein content.

The research laboratory of the Board of Grain Commissioners places the protein at 13.4%, an increase of .8% over last year's crop.

The figure — a preliminary one — is obtained from the analysis of 2,500 samples. The long time average protein count for prairie wheat is 13.5%.

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— *(U.S.) Passenger Citation* (Halifax to New York)

Here's a unit of TCA's coast-to-coast network for handling reservations. Local TCA offices are linked by teletype with master reservations control facilities.

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It takes equipment – plus a team to fly a million-and-a-half people a year

Moving the whole population of Greater Montreal or Greater Toronto *by air* would be a job of heroic proportions. Yet TCA will fly a similar number of passengers this year. (In 1954 it flew 1,438,349.)

Sure it means keeping abreast in the matter of equipment. TCA through its new Viscount fleet and new Super Constellations will provide 25% more passenger seats this year.

Yet an airline must think not simply of planes, but also of *people*. And not only flight personnel and ground crews — but the hundreds of skilled heads and hands needed to service TCA's 125 daily flights. All these people make up the TCA team . . . devoted to public service.

The generous appreciation of TCA passengers is a continual encouragement in our endeavour to provide the highest type of service. *We welcome critical comment, too.* If in any instance TCA service has failed to measure up to its standards, I would esteem it a real favour if you would write to me personally. Any such letter will be gratefully acknowledged.

W. Gordon Wood

W. Gordon Wood,
Vice-President, Traffic, Montreal

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General Post Office Building, Winnipeg, Man.; Architect: Mr. E. A. Gardner, Chief Architect, Dept. of Public Works, Canada; Associate Architects and Consulting Engineers: Messrs. Green, Blankstein, Russell and Associates, Winnipeg, Man.; Contractor: Foundation Company of Canada Ltd., London, Ont.

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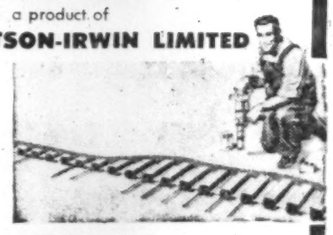

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MONTREAL REGINA CALGARY WINNIPEG EDMONTON VANCOUVER

Treasury Board Function Is Outlined By G. W. Stead

HALIFAX (Staff) — Every government lives in a perpetual squeeze between the people who complain that it's spending too much money and the people (often the same ones) who ask it to provide more and more services.

In Canada the machinery devised to control government spending is known as the Treasury Board, and the mysteries of its operation were explained more fully than ever before to this year's conference of the Institute of Public Administration, meeting here.

The problem was explained thus by A. W. Johnson, Deputy Provincial Treasurer of Saskatchewan, and secretary of the Treasury Board in that province: "The job is to allocate scarce means among unlimited wants."

The operation of the Federal Treasury Board was outlined by Gordon W. Stead, chief of the Civil Section of the Federal Treasury Board staff in the Department of Finance.

In Ottawa the control of civil service establishments now starts with an annual establishment review of each department in the month of August. A Treasury Board official and an official of the Civil Service Commission sit down with senior officers of each department between August and September. They review the future programs of the department and estimate its staff needs for the next eighteen months. The establishment then agreed will form the basis of the departmental estimates for the following financial year; and it has got to stick.

Once the estimates are submitted and approved, no further additions to staff are permitted — unless the Government adds new functions to the department's responsibilities which cannot be performed by existing staff.

At Ottawa—unlike Westminster —the civil servants' word is never final. A department which thinks it is being squeezed too hard can always appeal to its minister, and the minister can take the question to the Treasury Board itself, which is a committee of the Cabinet.

The Minister of Finance heads it, and the other members at present are Revenue Minister McCann (who acts as alternate chairman for Mr. Harris), Labor Minister Gregg, Justice Minister Garson, Veterans Minister Lapointe and Transport Minister Marler.

There is also a long list of alternates who can sit instead of these five; and each week a quorum of ministers is found to go over the myriad spending problems (including all large contracts) which require Treasury Board approval.

At the operating level the method now being used to fit departmental budgets into the over-all pattern of government spending was outlined by Mr. Stead. Long before the next year's estimates are considered in detail (about December), he said, preliminary calculations are made of future revenues. Also rough approximations are made of general expenditure categories.

Many of the big ones, like Old Age pensions and family allowances increase regularly and inevitably. In other cases, the scope of government functions can be judged against the growth of the particular Canadian activity with which they deal. In the over-all picture, a rough yardstick is to say that the civil service growth should be kept in rough relation to the size of the population it serves.

Here at least are some rough criteria which the Treasury Board staff can apply in discussions with the spending departments. They can tell each department, at least roughly, the sort of total into which its spending has got to fit.

"The function of the Treasury Board representatives," said Mr. Stead, "is rather that of a somewhat sceptical layman whose task is to indicate to the departments the over-all expenditure policy of the government, and to be able to report upon proposed developments which involve adjustments of particular policies."

The Treasury Board and its staff also try to go a step further. They try to drive the departments into making their own economies by "ensuring that the budgets of the various units sit somewhat snugly upon the shoulders of the senior officers who make the administrative decisions."

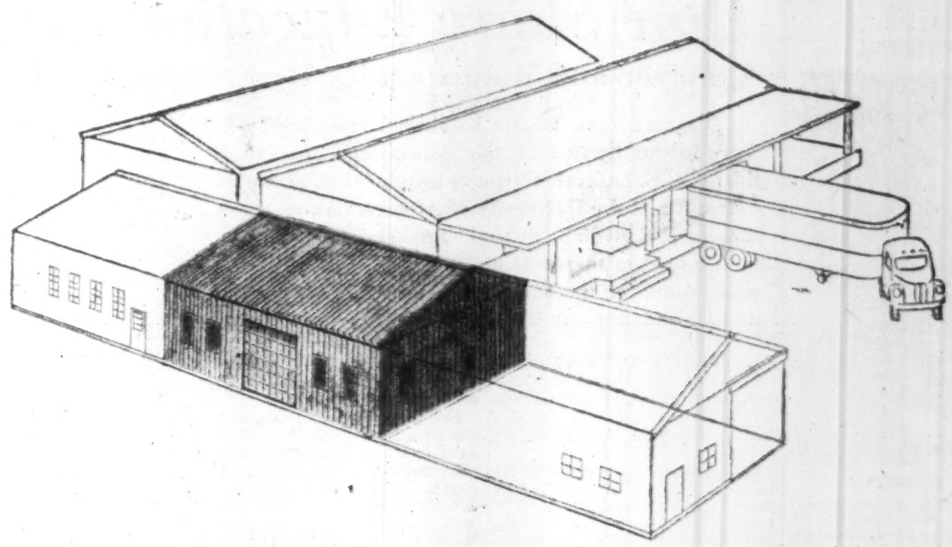
"One of the most effective ways to eliminate spots where redundancy is suspected is to make the budget for that unit fit even more snugly than is usual elsewhere."

Other functions which the Treasury Board performs for the Government included: —

—Co-ordination of the activities of different departments to make sure that they are not inconsistent with each other, and that there is no overlapping between departments or between the government services and outside bodies.

—Stimulation of forward planning by departments. Departments are encouraged to put their annual needs into the context of a longer term plan. This "enhances confidence that the management of a department knows where it is going."

—Regulation of administrative activities common to several departments. "Regulations, if properly set up, involve a delegation of power within stated limits that places decisions upon the proper shoulders."



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ALL FORMS OF FIRE AND CASUALTY INSURANCE

Will Expand Fredericton Fall Fair in '56

From Our Own Correspondent

FREDERICTON — Fredericton Exhibition, Ltd., operators of this provincial capital's annual Fall Fair, is planning to erect a $400,000 arena on its property next year.

President W. Hedley Wilson disclosed that blueprints of the proposed arena, largest in the province, have been approved by the directors. The proposed building will have a 200 ft. by 85 ft. ice space, a seating capacity of 5,000 and a prefabricated stage. Room will also be provided for quarters for annual livestock and other exhibition displays. Work is expected to start early in 1956.

Short Position Rises on MSE

Montreal Stock Exchange reports short position of 12,866 shares of 30 issues on Aug. 31, compared with 10,265 shares of 34 issues on Aug. 15. Chief changes include:

Stock	Shares	Stock	Shares
Abitibi	+100	Fraser Cos	+900
Bell Tele	—100	Imp. Oil	—200
B.A. Oil	—100	Int. Nickel	+225
Braz Trac	+300	MacM. Bl B	+900
Cons Smelt	+300	Mass-H-Ferg	—300
Dom Steel	+300	Walker-Good	—110

Short position on the Canadian Stock Exchange totaled 40,025 shares of 37 issues on Aug. 31, compared with 38,800 shares of 43 issues on Aug. 15. Chief changes included:

Stock	Shares	Stock	Shares
Calum. Ur.	—1,700	N Highridge	1,500
Cons. Paper	—1,800	N Pacific	3,300
Kontiki	—2,000	Weedon	—2,000
Liberal Pete	—3,000		

Actual short positions shown are:

MONTREAL STOCK EXCHANGE

Stock	Shares	Stock	Shares
Abitibi	400	Eddy Paper	100
Algoma	100	Fraser Cos	1,000
Aluminium	100	Gen. Dynamics	100
Asbestos	100	Gypsum	200
Bell Tele	251	How Smith	100
Brazil Trac	3,100	Imp Oil	120
Build Prod	100	Indust Accept	100
Can. Steamship	200	Int Nickel	425
CIL (54)	225	MacMil B	1,000
CPR	475	Mtl Loco	500
Can Pulp pfd	50	McColl-Front	320
Cons Smelt	6,3	Noranda	1,000
Dist Seagrams	300	Shawinigan	300
Dom Bridge	200	Weston Ltd.	100
Dom Steel	1,500		
Dom Stores	100	30 issues	12,366

CANADIAN STOCK EXCHANGE

Aconic	100	Lorado	300
Anacon	3,003	Louvicourt	1,000
Bousacadilac	1,000	Molybdenite	2,900
Brown	200	Nama	200
Burnt Hill	1,400	N Highridge	1,500
Camp Chib	200	N Pacific	4,800
Cdn Devon	600	Nududama	5,500
Castlar	100	Pres E Dome	500
Cons Den	400	Que Copper	900
Cons Paper	200	Royran	1,500
Federal Pete	100	Sapphire	100
Fleet	100	Stand Gold	2,000
Ford A	100	Steep Rock	100
Gunnar	200	Sullivan Cons	1,900
Hollinger	125	United Asb	2,700
Inspiration	500	Virginia	2,000
Jasper	100	ViolaMac	200
Kontiki	2,000		
Lake Dufault	1,500	37 issues	40,025
Lingside	1,000		

COMPANY REPORTS

Iron and Steel

CRAIG BIT CO., North Bay, Ont. net profit for the year ended June 30, 1955, was $64,634, 88% higher than $34,380 in previous year.

Development of tungsten carbide products continued and accounted for an increasing percentage of company's sales. Company increased its sale of auxiliary lines, such as sectional drill steels and steel shanks, and is continuing its development and search for new products, says President J. A. Drain.

Capital expenditures for new equipment amounted to $20,115. Reduction is result of heavy expenditures during previous three years.

INCOME ACCOUNT

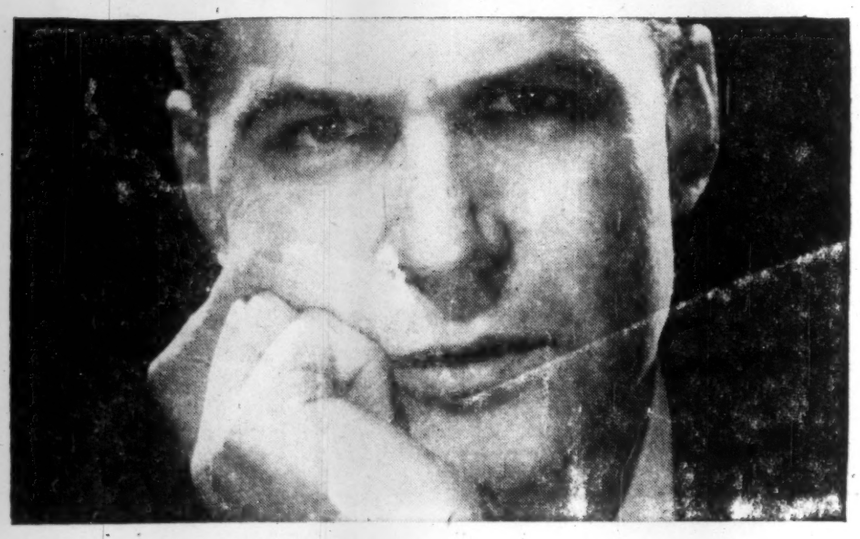
Years Ended June 30	1955	1954
Net earnings	$114,634	$53,380
Less: Inc. taxes	50,000	19,000
Net profit	64,634	34,380
Less: Divds.	8,700	
Surplus for year	55,934	
After depr. & amort.	43,861	unstated

Earnings per Share and Dividend Record:

Common	$0.56	$0.30
Paid	0.075	

CONDENSED BALANCE SHEET

As at June 30:	1955	1954
Cash	$65,893	$60,411
Accts. rec., less res.	211,416	167,714
Inventories	326,593	340,267
Total curr. assets	603,922	568,392
Prep. exp.	37,026	32,611
Fixed assets*	287,064	306,316
Other assets	27,804	24,550
Total assets	944,816	871,877
Due bank		30,000
Accts., tax., etc., p.	174,409	176,104
Divds. payable	8,700	
Total curr. liabs.	183,109	166,104
Capital stock	130,214	180,214
Earned surplus	581,493	525,559
*After depr. of	385,108	345,741
Working capital	420,813	342,288



"My reputation is at stake"

"...just can't afford slip-ups"

"...it's my job to choose the right subcontractors"

Another engineer realizes there is no substitute for know-how. So—like many others these days—he plays safe and calls in Eastern Steel. Whenever a blueprint indicates a piece of equipment that needs to be custom-fabricated in sheet metal or steel plate, it is only natural to insist on complete assurance that any subcontractor selected is fully equipped to do a satisfactory job. Accuracy is vital, of course, but you also require delivery on the appointed date and a *competitive price*. Eastern Steel can satisfy you on all three counts.

We have recently completed orders for such diversified products as transformer casings, steel breechings, and smoke stacks, tote boxes, underground storage tanks, bins and hoppers, and oil loading racks.

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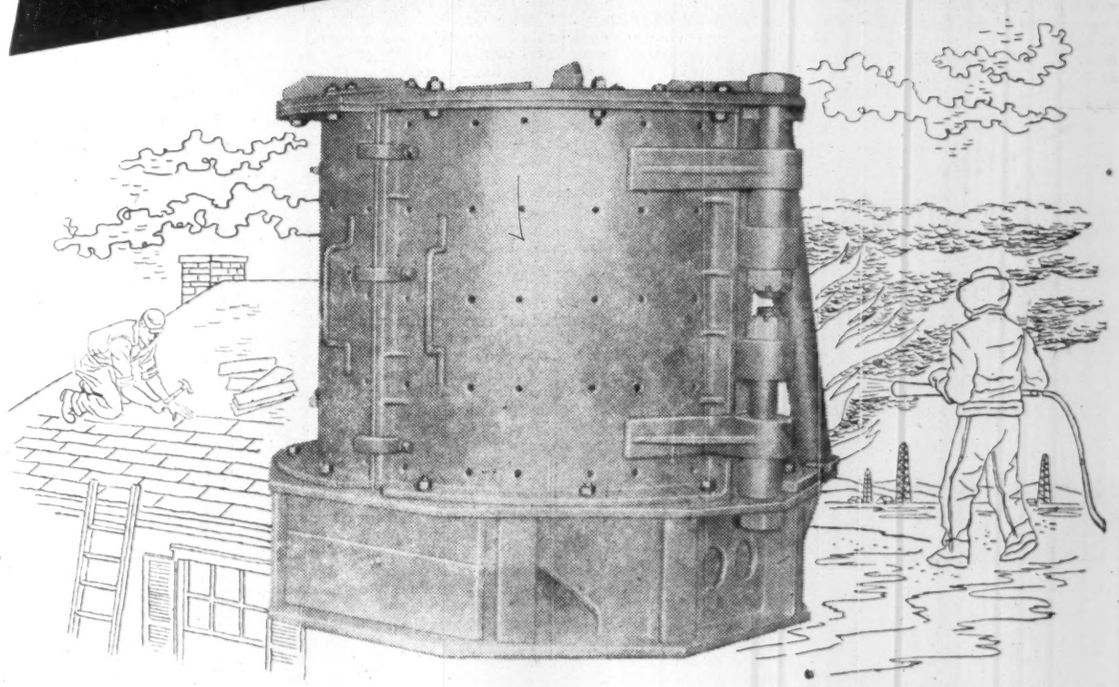

MLW answers another industrial problem, builds fiberizers for asbestos processing

Asbestos ore has very tough characteristics. In one asbestos milling process, this ore must be hammered soft in fiberizer shells before other machines take over. Shells at the Asbestos, Que., plant of Canadian Johns-Manville Co., Limited, are MLW-built.

This is a further example of the wide variety of metal-fabricated products built by Montreal Locomotive. Let MLW help solve your industrial problem.

A new illustrated booklet, "A Place in Your Future", describes MLW's facilities for producing a wide range of industrial equipment. For your copy, write Industrial Division, P.O. Box 1030, Station 'B', Montreal.

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ANNOUNCEMENT

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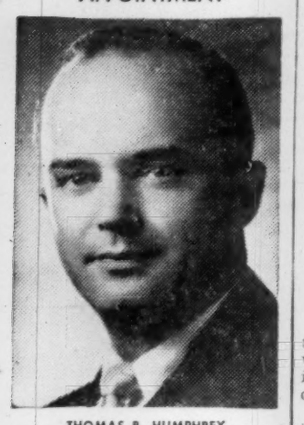

THOMAS B. HUMPHREY

whose appointment as Advertising Manager of General Mills (Canada) Ltd. was announced today by E. L. Schujahn, Vice-President and General Manager. Prior to this appointment, Mr. Humphrey was assistant advertising manager of Betty Crocker mixes at the company's head office in Minneapolis.

During his 14 years' service with General Mills he has had extensive experience in various phases of company operations. Mr. Humphrey holds B.A. and LL.B. degrees. During the Second World War he saw service overseas and was awarded two Bronze stars and the Order of the British Empire.

Advertisement

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High prices and taxes were getting me down. I had to have $200 a week or reduce my standard of living. Like Alice in Wonderland, I had to run faster to stay in the same place.

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CFP 9-17

How Share Education Costs?

Mayor and Municipalities Hear Some Suggestions

How can school costs be shared equitably? Is there inequality in Canadian educational opportunities? M. E. LaZerte, formerly dean of the Faculty of Education at the University of Alberta, now research director, Canadian School Trustees' Association, took a look at these nation-wide problems at the recent Edmonton meeting of the Federation of Mayors and Municipalities. Here's a digest of what he said:

By M. E. LAZERTE

The cost of elementary and secondary education in Canada was approximately $450 millions in 1951-52. This year it will be over $500 millions.

(2) Total costs in the 10 provinces averaged 87c per day per pupil enrolled, varying from a minimum of 44c per day in P.E.I. to $1.46 per day per pupil in B. C.

(3) Costs would be higher than they are now if overcrowded classes were reduced to normal size, if the schools were suitably equipped, if Canada's 20,000 partially trained teachers were replaced by qualified personnel.

(4) Assuming birth rates and immigration trends to continue as they have been in recent years, elementary and nigh school enrolments may be 58% and 76% respectively higher in 1965-66 than in 1951-52 The teacher shortage will increase greatly during the same period unless corrective measures are applied. These are four of the facts emphasized in my talk at Windsor last year.

How can educational opportunities be equalized for all Canadian children? How can school costs be more equitable distributed? What proportion of school costs should be borne by local districts and provincial governments?

Opportunities Unequal

The recent report, SCHOOL FINANCE IN CANADA, presented evidence that, educational gains are roughly proportional to school expenditures School costs in different provinces vary from $86 to $293 per pupil per year and from $2,290 to $9,436 per classroom per year. Are not all Canadian children entitled to good schools, modern equipment and efficient, qualified teachers? I know your answer to this question is, "yes."

How then can we make certain that education does not drop below an acceptable standard in any classroom?

Variant Tax Rates

The amount of one's taxes depends upon two factors, the assessment and the tax rate. Published reports indicate that faulty and inequitable assessments as well as variations in tax rates, are responsible for the present unequal distribution of school costs.

The variation in the rate is so great that it cannot be compensated for by differences in assessment values. Financial responsibility for the support of schools is not fairly distributed among those who pay local school taxes.

The percentage of school costs covered by government grants varies greatly from district to district. In Alberta in 1951-52, for example, the range was from 13.8% to 87.1% of total cost (operational and capital).

For the 10 provinces combined the percentage was 35.4. Grants have been increased in nearly all provinces during the last few years. The average for the 10 provinces must now be about 40%. Precedent is a strong factor in determining provincial policies; provincial governments have never assumed responsibility for a large share of school costs.

For a single province regulations governing grants sometimes require two or three pages for summary enumeration. A multiplicity of special grants is likely to restrict school boards in the choice of services they consider most needed by local districts. Personally I am in favor of replacing the many grants now given by a single grant.

The conclusions reached up to this point are (1) The quality of schooling varies greatly from district to district and from province to province (2) The cost of supporting schools is not shared by ratepayers in proportion to the actual value of real property holdings and (3) Government grants equal about 40% of school costs.

Opportunities Equalized

The quality of schooling provided for different children varies greatly.

Some districts engage teachers with low qualifications. In junior and senior high school grades some districts offer an enriched program of academic, pre-vocational and vocational subjects while other districts offer only a single track program. Some districts provide modern sanitary facilities; others do not. Some children have the advantage of physical education programs, medical and dental inspection and hot school lunches. In some schools guidance programs are made available.

To ensure that an agreed-upon standard of education will be available to all children a foundation program may be prescribed. Foundation programs might be defined in terms of grade offerings, staff qualifications, teachers' salaries, adequacy of school equipment, or in other terms. In practice they are generally defined in terms of "per pupil" or "per classroom" costs per year.

Should not the entire province be the unit with a uniform tax rate throughout? Right or wrong, my answer to this question is, "There should be a uniform tax rate for school purposes on all real property of the province."

We have a long way to go before costs are fairly distributed. Within a single province the tax rate in one district is 20 or 25 times what it is in some other districts. This means that allowing for the widest discrepancies in assessed values, some ratepayers must be assuming at least 10 times as much responsibility for educational costs as are ratepayers in certain other districts.

The answer: Make the province responsible for the equalization of all assessments and then levy a uniform tax rate over the entire province.

What educational and taxation policies would give greater equalization? The answer is (1) Have the Government, the school boards and the teachers agree upon the standard of education that the province wants for its children and can afford to pay for. Prescribe this as the foundation program for all classrooms of the province. Wealthy districts should be allowed to offer programs above foundation level if they so wish. (2) Equalize all assessments in each province by appointing provincial assessment commissions where such bodies are not already functioning, with responsibility for training all assessors, supervising their work and actually revising assessments where necessary. (3) Prescribe a uniform tax rate over the entire province.

One may ask, are you suggesting the same rate in rural and urban areas? Yes. Remember, however, that only the foundation program is under discussion at the moment. Cost per classroom is generally higher in urban than in rural areas and will doubtless exceed foundation program level, which means that tax levies in urban areas will generally be higher than those in rural districts.

What is the uniform basic tax rate to be?

This rate will depend upon many factors: the average wealth of local districts, the ratio of assessed to true property values, the weight of provincial and federal taxes and the percentage of total foundation program costs that is to be borne by local districts. The higher the share of costs carried by the Provincial Government, the more leeway there will be for local districts to offer enriched school programs.

Equalization Among Provinces

Up to this point we have discussed equalization within a single province. It is evident that there are great inequalities among the 10 provinces. The Canadian School Trustees' Association believes that there is a determinable standard of education which should be made available to every Canadian boy and girl. If this standard is higher than the level of the foundation program that can be financed by any given province, then that province should receive sufficient federal aid to enable it to meet the approved standard.

When preparing this talk I had three facts in mind: (1) Because of the poverty of many school districts, many Canadian children are getting sub-standard education. (2) Real property appears to be bearing too large a proportion of school costs. Municipal and school taxes are too heavy. Government grants should be increased, and (3) When some provinces have done their best for the support of education, that best will be found insufficient.

The Federal Government should give to each province whatever money it requires to establish and administer an adequate basic foundation program of education. I have suggested how all these goals may be attained.

The program I have outlined stresses principles. I have not discussed details and exceptions. No consideration has been given to questions such as these: "What is the unit of educational cost?" "What should be the cost of the foundation program in any given province?" "What control should be exercised over local spending?" "How should school costs be shared by local districts and the Provincial Government?" or "To what extent should the authority to spend public monies be paralleled by responsibility for finding such money?"

I have stressed three points only: "Equalized assessments," "Equalization of educational opportunities and school costs" and "increased provincial grants." If Canadian municipalities accept these three general principles and succeed in having them applied, we shall hear fewer complaints about heavy school and municipal taxes and we shall not be handicapped as at present when trying to provide suitable schooling for a rapidly increasing number of elementary and secondary school pupils.

Korea Joins Fund & Bank

Korea has become the 58th member of both the International Monetary Fund and the International Bank for Reconstruction & Development

The articles of agreement of these institutions were signed in Washington by the Korean ambassador to the U.S.

Quota of Korea in the Fund is $12.5 millions and its subscription to capital stock of Bank is 125 shares with a total par value of $12.5 millions.

Admission of Korea brought total of members quotas in Fund to $8,750.5 millions. Total subscribed capital of Bank is $9,050.5 millions.

C.I.S. Chief On Tour Here

Bernard G. Porter, general manager of British Overseas Airways Corp. and president of the U.K. Chartered Institute of Secretaries, will speak to the Toronto chapter of C.I.S. on Sept. 22. He is currently visiting branches of the Canadian institute in 10 Canadian cities.

The organization's history dates back to 1891; it now has branches throughout the Commonwealth. Accompanying Mr. Porter is Dr. A. M. Allen, permanent secretary of the institute. His itinerary takes in 12 Canadian cities.

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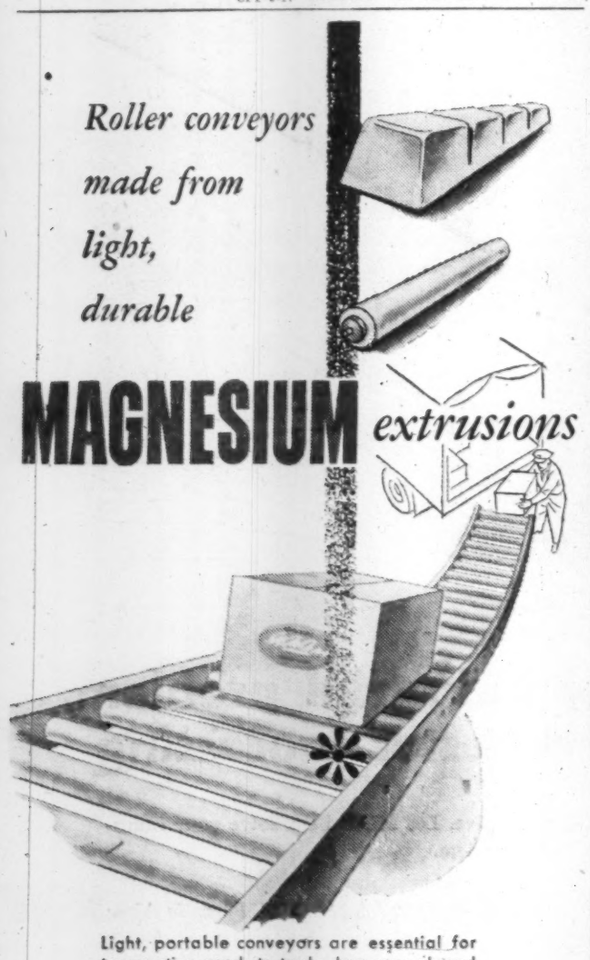

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New Product News

Canned milk enters the golden age

The fleeting flavor of milk is a delicate thing at best.

To capture this elusive flavor better than ever before, Canco now produces a modern sanitary can with a special golden enamel lining. This new lining keeps the flavor of evaporated milk as good as the day it was canned.

Lots of other advantages to this new can, too. It looks better than the old-style can—opens with any type of can opener—stands up to rough handling without danger to the contents—displays better.

If you are suffering from a slump in evaporated milk sales, the new Canco sanitary can may be the answer. It's one more development that has made Canco the leading name in the can-making field . . . another example of Canco ingenuity. Whatever your packaging problem, call Canco first.

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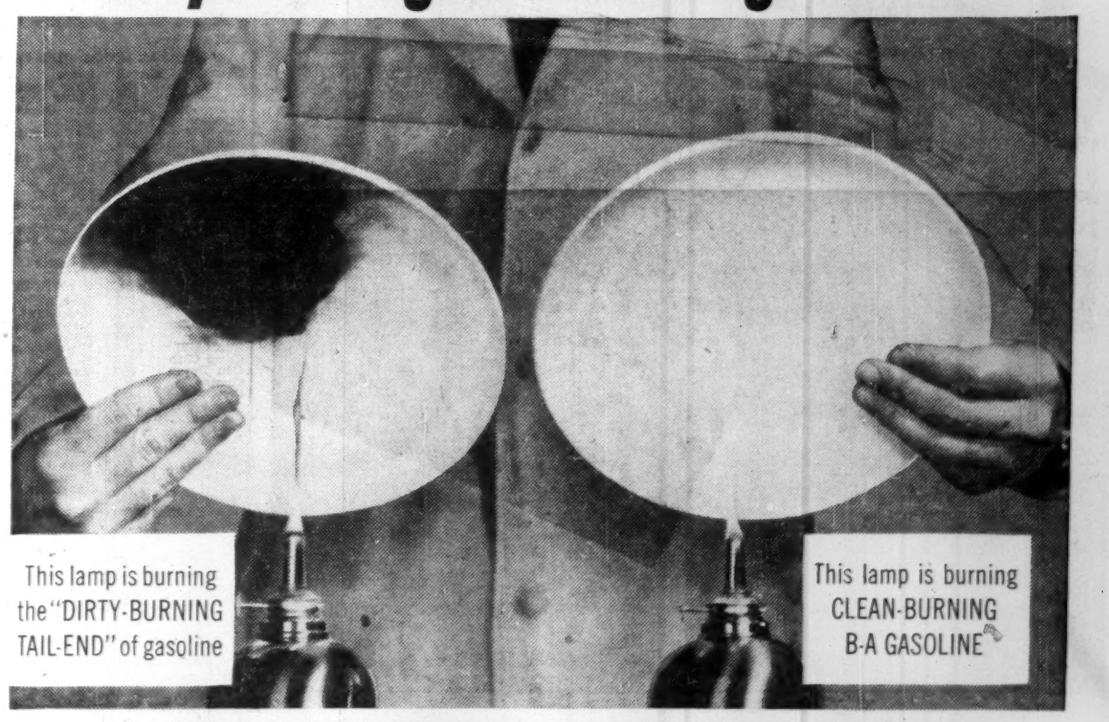

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Purchasers Predict Business Buoyancy

Price Rises Will Be Offset By More Sales Is View

Unrestrained optimism about most business activities in Canada for the balance of 1955 is the theme stressed in the September report of the Canadian Association of Purchasing Agents.

Some price increases are expected but they'll be offset to a great extent by bigger sales. Unemployment will be down, money in the bank up; productive capacity will continue increasing and consumer spending may reach all-time highs. Here is a digest of the report:

Business in Canada has never been better. The charts and indices indicate that Canadians will have more money and will spend it more freely than ever before. With glowing reports from practically all sections of the nation's economy, the consensus is: No business let-down.

Construction holds the spotlight with public and private expenditures up over last year. In foreign trade, exports are higher to the U. S., U. K. and the Commonwealth, lower to the rest of the world.

Imports are up from everywhere except the U. K. Tourist business is expected to be up with 4.4% more foreign vehicles entering Canada on travelers permits during the first six months of 1955 than the comparable 1954 period.

Labor: Employment is reported improved. No districts report a labor shortage and fewer are in the labor surplus category. Immigration has fallen off from 1954. A development has been the signing of agreements for some form of guaranteed annual wage in the automotive and steel industries during the summer months.

Other agreements providing wage and fringe benefit increases have also added to the pressure for higher consumer prices, some of which have already been raised.

Chemicals: European competition is being felt in fine chemical products, particularly vitamins. Industrial chemicals are in good demand with selling prices firm. Increases have been announced or are expected for boron products, caustic potash, turpentine, copper sulphate and zinc and lead chemicals.

A future possibility is the establishment of a plant for mining and processing potash deposits near Unity, Sask. Potash is not now produced in Canada.

Construction Materials: Continuing boom in construction activity is reflected in higher prices and extended delivery dates for materials and equipment. Construction contracts awarded for the first six months of the year exceeded the previous record set for the first six months of 1951.

Suppliers are still importing cement to meet domestic demands. Builders' supplies such as lime, gypsum lath are in short supply. Roofing materials and construction equipment have shown price increases.

Construction materials generally have risen about 4% since the first of the year and a further increase is thought probable this fall.

Coal: Bituminous coal production to mid-July was 20% ahead of the same 1954 period. Anthracite production is down 8% on the same period.

Possibility of the guaranteed annual wage in the coal industry is one of the main questions currently in the minds of operators.

Coal stocks, in Ontario at least, are better than last year with close to half the stocks usually available at the close of navigation already on hand.

Increases in the price of Southern bituminous coal of up to $1 a ton are being sought.

Ferrous Metals: Despite expanded production facilities, demand continues very strong with deliveries extended into 1956 for several types of finished steel. One danger of current patterns of protective buying and pyramiding of orders is the likelihood of excessive inventories when supplies become more plentiful.

Price increases on finished steel and pig iron reflect recent wage settlements in the industry.

Non-ferrous Metals: Copper prices continue exceptionally strong with possibility of further price increases. Zinc and lead are in good demand with the possibility of a moderate increase in zinc prices.

Demand for aluminum continues to exceed supply with strong upward pressure on prices. Tin appears steady with no more than minor price fluctuations expected.

Rubber: High rates of auto, truck and earthmoving equipment production have created very strong demand for natural and synthetic rubber. Natural rubber consumption is running 10%-15% higher than last year at rapidly advancing prices.

Synthetic rubber is tight and domestic customers have been placed on allocation.

Electrical Goods: All electrical equipment is now subject to strong upward pressure due to materials price increases. Shortages of some basic materials may stretch out deliveries. Sustained demand is reported for appliances, wire and cable and wiring devices and supplies. Some appliances are now on back order.

Heavy electrical apparatus is still suffering from strong import competition which is keeping off some hoped-for price increases.

New building and conversion of old facilities are stimulating lighting equipment installations. Vitreous enameling sheets are in tight supply.

Fuels: Ethyl Corp. data indicates that Canadian consumption of automotive gasoline was 10.7% greater during the first six months of 1955 compared with the same period of 1954. Prices have remained steady. A trend to increased octane rating of premium grades is continuing.

Heavy fuel oil prices have increased an average of ½c gal across the country.

There is some hope that the Federal and Ontario Governments will provide some modified form of financial aid to enable work on the proposed Canadian natural gas pipe line to get under way next year.

A new pipe mill at Sault Ste Marie is scheduled to start production of seamless steel pipe for the oil industry late in 1956. Initial production of 225,000 tons of pipe a year is planned.

Paper: Prices for fine and book papers are expected to remain stable in the near future following increases in May. Demand is likely to continue firm through the rest of the year.

Pressure on kraft prices is strong with Canadian mill deliveries running at three to five weeks. Newsprint production for the first seven months was 3% ahead of the same period of 1954 with shipments to the U. S. up 2.3%.

Paint & Varnish Materials: Titanium and phthalic anhydride are likely to continue in tight supply for several months. Gradual price increases have been reported over the last few months for most raw materials and supplies although temporary reductions in the prices of some drying oils are expected as a result of good flax and soybean crops.

Increased production facilities are expected to help in easing short titanium supplies next year. In phthalic anhydride, large shipments of U. S. materials are reported scheduled for entry into Canada over the next few months to relieve current shortages.

Reichhold Chemical's plant in the Quebec area is scheduled for completion late this year with capacity of about 2 million pounds to start.

Lumber, Plywood & Veneers: Short supplies of birch, maple, basswood and softwoods are forecast in Central Ontario for the late months of the year before new cuts become available. Markets have strengthened considerably in the last two months.

In B. C., casing, base and mouldings, heavy cutting and plywood are in short supply. Some price increase is likely following recent wage increases.

Textiles: Cotton prices are steady with supplies ample. Raw wool production is up and prices can be expected to ease a bit.

Synthetic yarn and fabric plants are still operating below capacity due to import competition.

Furniture and bedding lines have shown decided improvements during the last few weeks with backlogs of most factories running in excess of three weeks.

Food: Beef products are steady with the possibility of price decreases this fall due to drought conditions forcing farmers to sell stock prematurely.

Coffee, eggs and poultry markets are all firm with good seasonal demand. Canning crops are in good shape although salmon will be in short supply.

Containers: Seasonal demand is at its peak, deliveries are lengthening and prices are strong. Recent wage increases granted steelworkers may soon be reflected in metal container prices.

Canned goods packs of fruits and vegetables were slow in starting due to cold spring weather.

Chemical Firm Will Construct New Alum Plant

Canada's first production of liquid aluminum sulphate will come from a new chemical plant to be built by Nichols Chemical Co. near Thorold, Ont.

The liquid "alum" plant will come into operation early in 1956. Output will go primarily to pulp and paper mills in the area, heavy users of alum in the paper-making process. Another chief consumer of alum is municipal water treatment systems.

Principal use for alum in pulp and paper manufacture is in setting of sizing agents, such as resin size, and in controlling the acidity of the stock system. Up to now alum was only available to the mills in rigid form and mills were required to liquefy it themselves.

Nichols Chemical pioneered alum manufacture in Canada, now making the product at Valleyfield, Que. Aluminum Co. of Canada also produces alum in this country.

Hugh C. Maclean Group Issues Market Analysis

A comprehensive market analysis has been prepared for each of the 14 fields covered by the Hugh C. Maclean group of business publications.

This has been incorporated into an insert for the September-October issue of Canadian Advertising.

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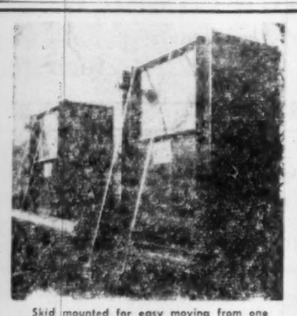

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Lay Corner Stone For Imperial Oil

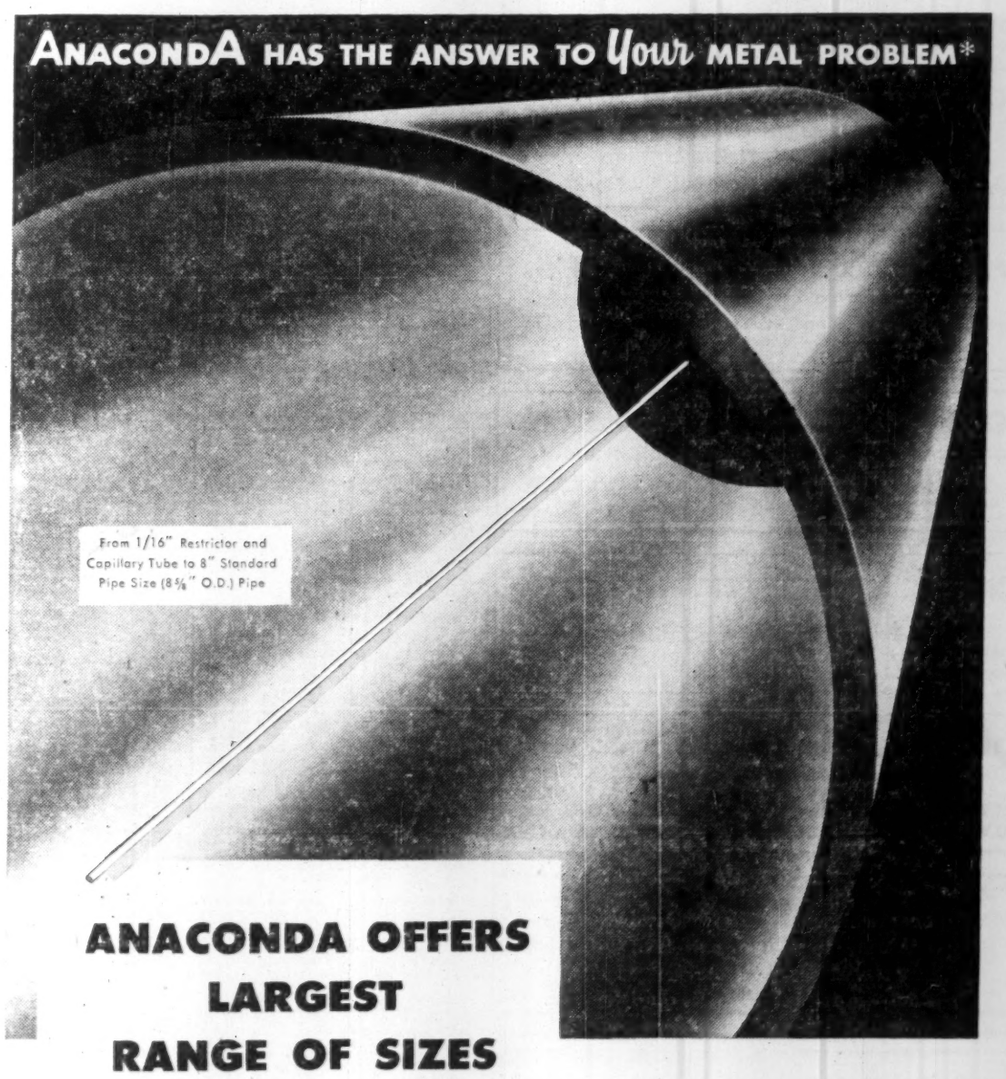
Stonework is under way on Imperial Oil's new $9 million 19-story head office building in Toronto following the laying of a three-ton cornerstone last week. The building is scheduled for completion in the spring of 1957.

The cornerstone was specially quarried from reddish-brown granite from Deer Island, Maine, to match the building's over-all design. A cavity inside contains a sealed copper box filled with copies of Toronto newspapers and other written material.

G. L. Stewart, chairman of the Imperial board, officiated at the cornerstone ceremony which coincided with the company's 75th anniversary.

Steel superstructure of the building now is completed to the 15th floor level.

ANACONDA HAS THE ANSWER TO Your METAL PROBLEM*



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LICENSED TRUSTEES
TORONTO GALT

NIGHTINGALE, HAYMAN & CO.
Chartered Accountants
HALIFAX, N.S.
Sydney • Yarmouth • New Glasgow • Dartmouth

Arthur A. Crawley & Co.
Chartered Accountants
OTTAWA • MONTREAL • BROCKVILLE • TORONTO • SUDBURY
NORTH BAY • SAULT STE. MARIE

DICK, BOND, HETHERINGTON & O'LOANE
TORONTO *Chartered Accountants* CHATHAM
C. J. DICK, C.A.
C. S. BOND, B.A., C.A.
W. I. HETHERINGTON, F.C.A.
W. R. O'LOANE, B.A., C.A.
LICENSED TRUSTEES IN BANKRUPTCY
C. I. DICK
W. R. O'LOANE

WINSPEAR, HAMILTON, ANDERSON & CO.
Chartered Accountants
Edmonton Vancouver
Calgary Dawson Creek

Hudson, McMackin & Co.
Chartered Accountants
SAINT JOHN, N.B. FREDERICTON, N.B.
MONCTON, N.B. BATHURST, N.B. MONTREAL, QUE.

W. J. McCOY & CO.
Chartered Accountants
100 ADELAIDE ST. W., TORONTO
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Company .....
Attention of .....
Street address .....
City and province .....
Nature of business FP-34

Market Bid and Ask Quotations

Closing Quotations Sept. 13

Montreal & Toronto

	Bid	Ask
Abitibi	37	37¼
Do pr	26½	26¾
Acad-Atl	12½	12¾
Do A	24	24½
Do pr	58	55½
xAcad Ur	21	21½
xAcme G	17	19
Adm Corp	22½	22¾
Agnew-S	7¼	8
Do pr	10	10
xAjax	84	85
xAkaitcho	65	69
Alba Ex	25	26
xAlberm't	95	98
Do wts	26	29
xAlta Dis	215	225
Do VT	175	180
xA P Cons	34	38
Algom	16¾	17
Do deb	99	99½
Do wts	850	900
Algoma	88	90½
Alumin'm	116½	117
Do 1 pr	26¾	26¾
Do 2 pr	108	108¾
xAmanda	40	41
Am-Lard	16	17
Am Cyan	61¼	48½
xAm Leaf	90	92
xAm Nep	144	149
xAmurex	720	725
xAnacon	385	390
xAnchor	8½	10
Ang-A Ex	13½	13¾
xAng Cdn	375	390
AC P'p p	105½	..
A-Cdn Tel	52½	53
Anglo Hur	13½	14
xA Rouy	140	142
Anthes Im	23	..
xApex Res	28	29
xArcan	85	90
xArea	66	70
Argus	24½	24¾
Do 2 pr	58½	59½
xArjon	15	16
xAscot	55	57
Ashd'n A	12½	..
Do B	16½	16½
Atlas Steel	18	18½
xAtlas Yk	13	15
xAtlin-Rur	18½	19
xAubelle	8½	9
xAumacho	31	32
xAumaque	11½	12
xAunor	235	240
Auto El	10	10½
Do A	9½	10
xA Fab A	460	440
Do B	125	140
xAvillabon	91	93
xBagamac	13	13½
B'ley S A	915	925
xBanff	..	205
xBankfield	7½	8¾
Bnk Mont	49½	50½
Bank N S	60	60½
xBankeno	32	34
B'que Can	39½	39¾
Barb-Ellis	30	..
Barcelona	11	12
xBarnat	102	103
xBarvue	175	185
Do warr	30	29
xBarymin	255	260
xBase Met	62	63
xBaska	31	33
xBata	14¾	14½
B & Innes	11½	11¾
xBath M	226	228
Do A w	44	45
Do B w	80	82
Bath P A	63	63½
Do B	47	48
xB-DUQ	132	133
Beatty	7	7¼
xB'ucage	265	285
xBeav Lge	76	78
Beav Lmb	21½	22
Do A	21¼	..
Do pr	33	..
xBelcher	88	90
Bell Phone	51½	51¾
xBellet're	225	230
xBerens	85	95
xBeta G	14	15
xBevcon	55	59
xBibis	12	12½
xBicroft	270	275
xBidgood	8½	9
Biltmore	7	7¼
Do pr	14½	14¾
xBlack B	160	165
Blue Rib	6	6¼
Do pr	31	35½
xBlue Rk	229	230
xBobjo	50	52
xBonville	13	13½
xBordulac	12¾	14½
B'Cadillac	35	39
Bowes	17	..
xBoymar	8½	9
xBralorne	345	350
xBrals'n	103	110
Br Cord A	17½	19
Do B	9	12
Brazil	72	..
Do pr		97½
Br & T pr	48	48½
x Do wts	300	..
Bright	15	15½
Do pr	22	22½
xBrilund	172	175
xBritalta	265	270
BA Oil	31	31½
BC E 4% p	96	97
Do 4½%	52	52
Do 4½% p	52½	52½
Do 4½%	106	106½
Do 5% p	54½	54½
BC Forest	13½	14
BC Pack A	17½	17½
Do B	14½	15½
BC Pow	34½	34½
BC Phone	50	50½
xBroul R	177	180
Bruck A	11	14
Do B	5	5½
xBrunh'st	8½	9½
xBrunsm'n	11½	12
xBrunston	24½	25
Brunswick	13½	13¾
xBuckles	53	55
xBuffadis	8½	9½
xBuff Ank	80	88
xBuff Cdn	7½	8½
xBuff RL	7	8½
Build Pr	..	46½
xBulldog	11	12
xBunk H	16½	18
Burlington	29¼	29½
Burns & C	13	13½
Burrard A	9	9½
Caldwell	..	14½
Do 1 pr	22½	24½
Do 2 pr	12½	13
Cal & Ed	17½	17¾
Cal Pow		
5% pr	106½	..
xCallinan	32½	33
xCalnorth	16	19½
xCalv'n C	620	640
Camp Ch	16	16½
xCan Met	274	275
xC'mp RL	760	795
xC Bread	410	410
Do B	55	..
Can Cem	37½	38
Do pr	31	31½
C Cr&C St	11½	11¾
Can Foils	13½	15
Do A	16½	17
C Fndry A	26½	28½
C I Fndry	31½	32½
Can Life	107	107½
C Machin	13½	13¾
Can Malt	76½	78
C N Pow	13½	14¾
xC Oil L	250	265
Do wts	140	160
C Pack A	39¾	..
C Per Mor	92	95
xC S Oil w	75	80
C Steam n	33	34½
Do pr n	13	13½
C Wire A	155	..
Do B	88	90
xC Ad Oil	51	52
C Astoria	37	45
xC At Oil	640	655
Cdn Baks	8	8
C Bk Com	45¾	46
Cdn Brew	30¾	31
Do pr	31½	32½
xC Br Em	65	66
Cdn Can	35½	36
Cdn Car	29½	29¾
Do A	29¼	..
DoD Rec	29	..
DoA D R	29	..
Cdn Celan	22¼	22¾
Do $1 pr	20¼	21
Do $1.75p	36½	37¾
C Ch Cell	11¼	11¾
C Coll'ries	11¼	11½
Cdn Conv	350	..
Do B	400	..
xC Decalta	66	70
Do warr	20½	23
xC Dev P	229	230
C Dredg n	24	24½
C Fairb'ks	22¼	22½
Do pr	125½	..
xC F Pro	325	325
Do A	7	7¼
Do pr	52	54
CGE	750	1370
C G Sec A	42½	..
Do B	410	..
xC Home	224	225
C Hyd Car	8¼	8½
xC Ice Mch	6	7
Do A	12	12
Cdn Loco	23½	26½
xC Malart	52	55
Cdn Oil	22½	22¾
Do pr	175	..
Do 5%	106½	108
Do 4%	96	99½
Do wts	7½	9½
xC O&G R	94	95
CPR	34¾	34¾
C Petro pr	27½	27½
xC PL P	292	294
C Prosp	475	700
Cdn Salt	17½	..
Cdn Tire	93	96
Do pr	20½	..
C Util pr	106	106½
C Vickers	36½	37
C Wall A	..	11¾
Do B	9	11
Cdn W	..	..
N Gas p	18½	19½
Do war	45	48
Fal'bridge	29½	29¾
Fam Play	23¾	24½
Fanny F	28	28½
xFaraday	212	215
xFargo	250	255
xF'west T	40½	42
Fed Fire	50½	..
Fed Grain	37½	38½
Do pr	30½	31¼
Fed Kirk	17	20
xFed Pet	565	575
xFibre	400	600
Do pr	5	6½
Fittings		7
Fitt A	9½	16½
Fladg F pr	10	14
xFleet M	195	200
Ford A	148	149
Do B	157	..
Foun'tion	24	26
Fraser	33½	34½
Frefinan p	96	97
xFrobish	445	450
Do debs	90	92
x Do wts	65	78
xGaitwin	44	47
xGas Ex	70	92
Gatineau	31½	31¾
Do 5% p	115½	115½
Geco Min	18½	18¾
Gen Bake	8½	9½
G Dynam	56½	57¼
Gen Elect	53	..
G Motors	136	137½
xG Pete	530	550
Do A	510	525
GP Mfg A	41½	41½
Do B	43¼	..
G S Wares	10½	11
Do pr	101	103
xGeneva	12½	13
xG'nt YK	640	645
xGlenn Ur	63	69
xGod's L	70	72
xGoldale	39	40
xGoldcrest	19½	20
xG Eagle	10	12
xGF Uran	50	55
xG Man	355	360
G'dhawk	25	26½
xGoldora	9½	10
Goodyear	160	161
Do pr	53½	53½
G Mack A	7½	7½
Do B	7¼	8
Grafton A	15	..
xGrah Bou	32	35
xG Toy	311	49
xG'ndines	41	41½
xGrandoro	43	45½
xGrandue	795	800
GL Paper	42¾	42¾
GN Gas	6¼	6¾
Do pr	45½	46
x Do wts	310	320
G Plains D	24½	25
xG Sw G	340	345
GW Coal A	7¾	7¾
Do B	6¾	7¼
Grt West	20	22
xGreen'g	450	475
xGridoil	..	820
Guar Tr	21	..
xGulch	187	190
xGulf L'd	19	19½
Gulf Oil	87½	87¾
Gunnar	15¼	15¾
x Do wts	715	745
xGurney	475	495
Do pr	26½	28
xGwillim	14	14½
Gypsum	60	60½
Hahn	18½	20
Do A	16¾	19½
xHallnor	325	375
H Cotton	12	12
Do pr	96	97
Hrd Carp	9	9½
xHd Rock	15	15½
xHar-Min	68	69½
Hartz A	10½	11
xHasaga	22	24
xH of Lak	17	18
xHeadw'y	110	112
xHeath	8½	9½
xHees,GH	400	405
Hend'shot	20½	21
Do pr	89	101
xHeva	6	6½
xHigh Cr	20	22
xHigh-Bell	70	75
Hi-Tow Dr	6¼	6½
xHighw'd	14	14½
H & Dauch	..	63
Holden A	350	450
Do B	..	200
Hollinger	22½	22¾
Holt Ren	66	..
Home Oil	10½	10¾
xHom YK	17	18
H Smith	41	42
Do pr	50	52½
xHoyle	890	900
Hud Bay	69	69½
H Owen A	16½	..
Do B	9	..
Do pr	26	..
xHugh-P	26	28
H Grge Erje	41	41
xHusky	880	900
xHy-Charg	8	8½
Imp Bank	50	50½
Im F-Glaze	24	24½
Do pr	31	..
Imp Life	91	95
Imp Oil	41½	41¾
Imp Tob	12½	12¾
Do pr	7¼	7½
xInd Lake	8	9
Ind Accep	56	57½
Do 4.50p	105	105½
Ingersoll A	18	18
Inglis	12	12½
In Cem p	16½	16¾
xInspira'n	150	155
Int Bronze	6½	8
Do pr	21	23
I Met A	37	38½
Do pr	102½	..
Int Mill p	92	95
Int Nickel	83½	83¾
I Nick p	135	136
Inter Nick	62	..
Int Pete	28¾	29
Inter Util	41	41½
I Ranw'k	170	180
I Bldg Cr	16½	17
Interp PL	27½	28
xIron B	245	250
xJacobus	52	54
xJ'k Waite	17	18
Jam Pub	24	25
Jam P S	106½	..
xJasper	201	204
xJaye Exp	35	40
xJeanette	38	43
xJellicoe	9½	10
xJoburke	26½	27
Johns-Man	86¾	86¾
xJoliet	85	87
xJonsmith	45	46
Journ Ott	18½	..
xJupiter	237	240
Kelvinator	16¾	17½
xKenville	12	13
Kerr Add	18¾	18¾
xKerr Lak	70	75
xKeyboy	13¾	13¾
xKeymet	86	89
xKirk Hud	39	40
xKirk Lak	38	40
xK Town	13	15
xKristina	17	17½
xKroy O	128	130
Labatt	24¼	24½
Labrador	16¾	17
L Cinch	205	215
L Dufalt	275	280
xL Ling	15	16½
xL-Osu	35	36
xL Shore	535	545
xL Wasa	24½	25½
L Woodsp	142½	153
xLa Luz	290	299
xLamaq	385	390
Lang	13	13½
Laura Sec	19½	21
Laurent A	12	12½
Do B	20	..
x Do wts	142½	153
xLavalie	7½	8
L&Jones A	21	22
Do B	20½	..
xLeitch	82	83
xLencourt	16	16¾
Lewis Bros	9½	10
xLexindin	46½	44
xLib Pete	280	285
Lindsay C	35	..
xLL Lac	135	140
Loblaw A	44½	45
Do B	90¼	93
Loews	101	..
xLomega	7	8
xLon Hos	125	150
Do A	7½	8
xL I Pete	11	11½
xLorado	203	205
xLouvic't	33	34
L St Law	26½	26¾
Lowney	21½	25
xLyndh'st	253	254
xLynx	8	9½
xMacassa	205	208
xMacdon	107	113
xMacfie	16½	18
xMackeno	65½	60
MacKin St	..	44
Do pr	95	..
xMacLeod	150	155
MacMill A	42	..
Do B	43	43¾
xMadsen	240	245
xMagnet	14	15
Mailman	21	..
Mailman c	24	..
Malartic	210	215
xM'east U	33	39
M Sug pr	103	105
M L Gard	22½	22¾
M L Mill	10½	11½
Do pr	103	..
xMaraigo	9	9½
xMarcus	12	14
xMarigold	30	33
xMaritim	227	229
Do A wts	40	49
Do B wts	72	73
xMartin	22	22½
Mass-Har	10¼	10¾
Do pr	110	110½
xMatach	105	115
Maxwell	5¾	6¼
xM'brun	167	169
McBrine p	12	14
McCabe A	17½	18
Do B	17	..
McColl	44	44½
Do pr	102	103
McIntyre	82½	83¼
xMcKenzi	44	46
xMcMarm	18½	19
xMcWat'r	39	42
xMentor n	95	100
xMerc Ch	50	55
xMerrill	251	254
xMerril P	875	915
xMeta Ur	50	52
Mex L&P	17	17½
Do pr	12	12½
Mex Train	9¼	11
xMidcon	61	65
Mid & Pac	20½	23
xM-West	490	495
xMill City	29½	30
xM Brick	450	455
xMindam	45½	50
Min Corp	24½	25
Mod Cont	17	18
Do A	18½	19
xMoguls	355	360
Molson A	27	27½
xMon Knit	5¼	6½
Do pr	40	60
Mon Mort	38	39½
xMoneta	95	100
Mont Loco	18½	19
Moore	39	39½
Do A	604	..
Do B	924	..
Do pr	26½	26½
Morg & C	23	23½
Mor Brass	8	8
xMulti-M	211	220
xNama C	200	204
Nat Drug	13½	13½
Do pr	13¼	14
xNat Ex	102	105
Nat Groc	29	..
Do pr	28	28½
N Hos A	500	500
x Do B	400	475
Nat Lead	80¾	80¾
xNat Pet	180	182
N St Car	30	30½
Nat Trust	43½	45
xNello	22½	24½
xNes Lab	135	150
xN Alger	26	27
xN Athona	92	95
xNew Bid	33	34
xN Brist	178	180
xNB Dom	240	243
xNew Cal	120	123
xN Conc'd	65	69½
xN Cont	41	42
xN Davies	16½	22
xN Delhi	101	102
xN Dick	210	220
xN F'tune	30	32
xN G'dvue	21	22
xN Harri	33	34
xN H'ridge	72	78
xN Hosco	22	25
xN Jaculet	22	24
xN Jason	8½	9
xN Kelore	31	33
xN Lag're	14	14½
xNewlund	72½	73
xN Marion	12	12½
xN M Scot	25	24
xN Mylam	18	20
xN'wnorth	13½	15
xNew Norz	6½	7
xN Rouyn	17	17½
xN Ryan L	14½	14¾
xN Senat	11	12
xN Sup	242	248
xN Taku	43	45
xN Thurb	36	38
xNib Yello	8	9
xN Rim	108	112
xNipiss'g	286	289
xNisto	10	11
xN-Acme	63	70
Noranda n	60	60½
xNordon	13	20
xNorgold	25	27
xNorlartic	10½	11½
xNormet	710	715
xNorpax	56	57
xNC Oils	520	525
xNor Inca	12	12½
xN Rankin	60	68
North Star	16	16½
x Do wts	9	9½
xNth Trin	11	12
NW Util p	94½	95
xNth Can	58	63
N Que Pow		
1 pr	52¾	..
xNudlama	65	68
Oak Wood	6½	8
xObaska	9½	12
xO'Brien	73	76
Office Sp	13	17
xOgama	12	14
xOil Sel	9½	9¾
xOka R M	91	98
xOkalta	210	215
xO'Leary	36	38
xOmnitr's	4	4½
xO B Sup	25	50
Do pr	5	6
xO Jock C	260	275
Do pr	11½	11¾
x Do wts	95	110
Ont Loan	27½	29
Ont Steel	30	..
Do pr	135	..
xOpemisk	995	105
xQ'nge C	410	430
xOrenada	21½	24
xOsisko	50	54
xP Coyle	87	120
xPac East	15	15½
Pac Pete	12	12½
Page Hers	71	72½
xPamour	57	61
xPan West	29	30
xParamaq	9½	10
xParbec	16¼	17
Parder	121	124
xPark Dr	415	445
xPathfind	90	92
xPaymast	36	38
xPeace R	955	960
Penmans	50	54
Do pr	113	..
Pembina	19	19½
Do pr	53½	54
P C Jewel	16¼	17½
Do pr	102	103
xPerron	29½	35
xPeruv O	280	285
xPetrol	69	70
Photo Eng	40½	45
xPick Cr	123	125
xPioneer	191	195
xPitch-O	23	23½
Pitt P Gl	85¼	85½
Placer	36	36½
xPonder	104	105
xPop Oils	30	47
P River n	57¾	58
xP Rouyn	59	64
Pow Corp	62¾	63½
xPrair O	315	325
xPrem Brd	6¼	7½
Prem Tr	78	90
Pr Met	18¾	18¾
xPreston	700	705
Price Bro	101½	101¾
Pront U	1615	1625
x Do wts	487	500
xPros Air	310	315
Provincial	12	13
xPurdy M	38	39
xQue Ch	178	179
xQue Cop	340	345
xQue Lab	9½	9¾
Que Lith	14¼	14¾
xQue M	145	149
xQ Metal	440	445
xQ Nick	240	243
Que Pow	32¼	..
xQu'nston	21	22
Quemont	27¾	28
Quinte A	9¼	10
x Do B	365	..
xRadiore	184	185
Rapid-Grip	8	8¼
xRayrock	212	215
xReef Pet	10¼	12
xReeves	225	235
xRegcourt	23¼	24
xRenabie	255	275
xRexspar	52	59
xR Palm	192	195
R Silk A	8½	9½
x Do B	125	200
xR Athab	115	116
Robertson	14½	..
Do 5% p	40½	..
Do 6% p	21½	22½
Do $1 pr	22	..
Robinson	..	450
Do pr	..	5
R Little	10½	11½
Do A	12	15
xRoche	20	20½
xRockwin	68	72
Rolland P	60	63
Do pr	..	99
xRowan C	18	19½
xRoxana	10	10½
Royal Bk	59¾	60½
Royalite	15¾	15½
Royalite p	34	..
xRupununi	8½	8½
Russell	16¼	16½
xRyanor	12	14
Sag Pw p	103½	104
St Lw Cor	78	80
St Law Fl	..	135
xSan Ant	155	160
xSand Riv	6½	10
xSapphire	320	325
Sar Bridge	17½	..
Scarfe A	12½	13½
Do B	51½	..
xScurv-R	210	215
Scythes	14½	19
Do pr	23½	..
xSecur F	276	280
Shawin	73	74
Do A	51½	..
Do B	55	..
xShawkey	9	10
xSheep C	135	140
xSherrift	925	930
Sher-W	48½	..
Do pr	148	150
Shirriffs p	20½	21
Sicks'	29	29½
Do vt	29½	30
xSigma	500	525
xSilanco	21½	22
Silknit	18½	19
Do pr	37	..
xS Miller	107	110
xSil Stand	55	58
xSilv'd A	13¼	13½
Do B	14	15
Simpsons	18	18½
Simon & S	15½	16
Do 5% p	100	101
xSiscoe	52	53
Slater n	13½	14
Do pr	43	..
Som'ville p	52	54
xSogris	38	40
Southam	46½	47
xS Un Oils	65	69
South Can	46½	50
xSpooner	18	19½
xStadacon	29½	30
St Brands	39½	39½
St Pay	35½	36½
St Radio	11¼	11¾
St Brock A	9	9½
Do B	51	61
xStanwell	65	69
xStarratt	14½	17
Stedman		25½
Steel Can	57	57½
xSteelcro	10½	11
Steep Rk	14	14½
Ster Tr	45½	47
xStovel p	310	400
Stuart Oil	15½	15¾
xSturgeon	27	28
xSud-Con	18½	19
xSullivan	670	675
Super Prop	8½	8½
Do wts	26½	..
Do pr	26	..
Sup'test O	21½	22
Do Com	23½	27
Do pr	105½	106
xSurf Inlet	10	11
xSwitson	5	5½
xSylvan	151	152
Tamblyn	45½	46½
Do pr	50	52
xTandem	14½	15
Tav-P&C	9½	9½
Do pr	11½	11¾
xTeck-H	310	315
xTex Cal	100	105
xThom L	193	194½
xTiara	50	53
TT Can A	7½	..
TT Tailors	9½	18
xTombill	22	35
xTorbit	125	130
Tor Brick	18	18½
Tor-D Bk	45½	46
Tor Elev	16½	17½
T Gen Tr	42	..
Tor Iron	23½	..
Do A	25	25½
Tor Mort	113	114
Tor Sav	30½	..
xTowag	13	15
T Fin A	47½	47½
Do B	47	60
Bo p4½	103½	104
Do 5% p	49½	50
Do A rts	17½	..
Do B rts	18½	..
Do warr	48	..
xTrs-Em	180	182
xTrans Era	29	30
Trans-Mt	38½	39½
Tr Prair PL	6	7½
xTrs Res	38	39
xTrend P	18½	20
xTriad O	665	670
Tuckett	142	155
Union Acc	6½	6¾
Do 2 pr	9½	9½
Un Gas	51½	52¼
xU Mining	24½	26
xU Asbes	810	825
U Corp A	31	32
Do B	21½	22½
xU Estella	67	68
U Fuel A	61½	62
Do B	36½	37
xU Keno	725	750
xU Mont	43½	44
xUn Oils	170	174
Un Steel	16¾	17½
xUpp Can	115	116
Vanadium	5¾	6
xVan Roi	7½	8
Ventures	44	44½
Viau Ltd	60	..
Viceroy A	9	9½
Do B	5½	..
xVicour	25	28
V & G Tr	22½	23¾
Do rts	125	135
V'damac	270	280
V Dare pr	16	17
xVulcan	43	50
Waite Am	16½	16¾
W G & W	79	79½
Wat Equip	12	12
xWeed P	43	44
Wellington	76	..
xW Mas p	..	24
Wespac	30	33
W Koot	..	175
xW Malar	10	10
xW May

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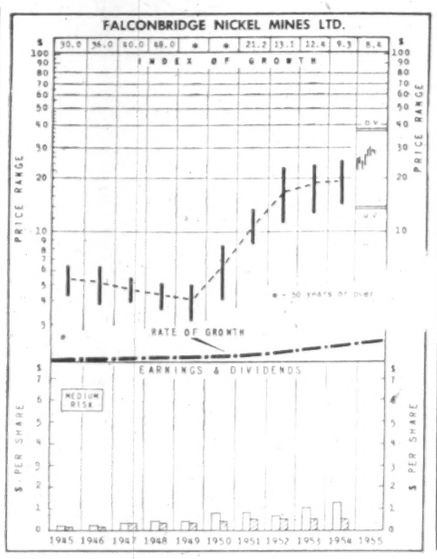
Selected Growth Stocks — Quarterly Review — By NESTOR

The Financial Post's exclusive series of Selected Growth Stocks was chosen by one of the continent's most prominent and successful investment advisers. The reasons for choice shown below the accompanying charts were those given when stocks were chosen in January, 1953. Each will be reviewed quarterly. Publication of this series in The Post does not constitute a recommendation to buy these stocks.



WHY SELECTED: Aside from rearmament demand, growing use of nickel offers favorable long-range possibilities for this aggressive second-largest nickel producer. Completion in 1954 of current expansion program was expected to double prewar output level, further expansion being considered. Recent ore discoveries are considered important. Based on about 52% of potential nickel land in important Sudbury area, and production of about 10% of total Sudbury output, there appears to be considerable scope for stepup in Falconbridge production.

Falconbridge

Falconbridge Nickel Mines trading recently around $29½ a share, 111% above its UV level, leaving room for possible 25% rise before hitting OV level. Yield 2.71% on basis of 40c semi-annual dividend rate (paid 40c plus 10c extra June 15). Price equals about 24 times '54 earnings. Price range in '55, $30½-$21⅝.

First half results showed gains in production and earnings. Financial comparisons in semi-annual report were with half final 1954 figures rather than with 1954 first half, due to adjustments in treatment of some items at the end of '54. Net profit in six months ended June 30 equaled 72c a share (62c for one half '54).

Depreciation charges being made now on basis of 10% per annum on Canadian assets (15% rate used in '54), but total provision rose to $2.1 millions ($1.4 millions), due to greater asset values on which depreciation is calculated. Depreciation treatment brings earnings figures more in line with earnings calculated under terms of bond trust deed.

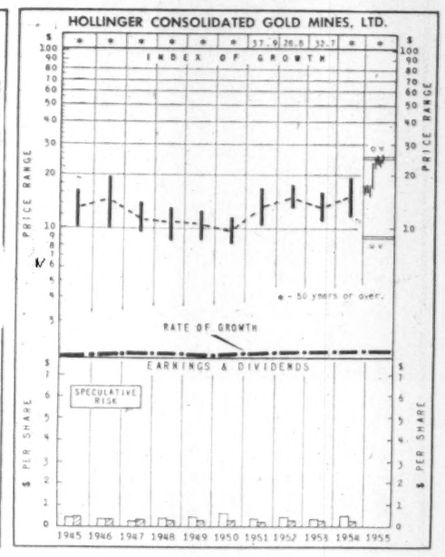
Gross revenues showed increase not only on higher deliveries, but also because of higher prices for nickel and copper. Production costs were up and ore grade down, however. Operating profit jumped to $7.3 millions ($5.8 millions). Net was $2.7 millions ($2.3 millions).

Expenditures on plant and equipment dropped to $3.4 millions ($6 millions) and on preproduction and development before write-off to $1.7 millions ($1.9 millions). However, these drops were seasonal and only slightly below '54 first half.

Net current assets at June 30 were $8.5 millions ($5.8 millions at Dec. 31), while long-term liabilities rose to $20 millions ($14.8 millions).

Compared with first half '54, refined metal output up 12%, production of nickel in matte up 6%. Custom business from independent shippers to smelter down 20%. Unable to satisfy nickel demand of regular customers.

Much of surface program completed, except for facilities at Fecunis and smelter expansion at Falconbridge. Hardy mill now in full scale production. Regular production operations now at Falconbridge, East Mine, Mount Nickel, McKim and Hardy.



WHY SELECTED: Potentialities for this second-largest Canadian gold producer lie in its interest in Labrador and Quebec iron ore reserves, estimated to be in excess of 400 million tons of high-grade ore that are now being developed by Iron Ore Co. of Canada (owned by Hollinger and various U. S. interests) at an estimated cost of over $200 millions. Shipments were expected to begin late in 1954 and to be expanded progressively for several years thereafter.

How To Read the Stock Charts

INDEX OF GROWTH: The rate at which the value of the equity behind the stock is doubling as determined by the growth rate at which it entered the year. A figure of 5.6 for the present year would indicate that at its current growth rate the equity value is doubling every 5.6 years.

PRICE RANGE: The annual high, low and mean price. Monthly ranges for the current year.

UNDERVALUATION AND OVERVALUATION PRICE LEVELS: Shown by the narrow horizontal lines above and below the stock's price range indicating price at which the particular stock is adjudged as underestimating or overestimating its future rate of growth. A stock showing a fast-growth rate will sometimes anticipate growth by two or three years. In this case it may not be so attractive a purchase relatively as some other fast-growing stock that is not anticipating its growth beyond the immediate present. Other factors such as rate of growth and investment quality will also enter into the comparison an investor will want to make.

Without these UV and OV levels, a current quotation of say, 55 or 75 would carry no significance regarding long-range value. The UV/OV levels also permit judgment as between one stock and another. They are not designated points of purchase or sale nor do they attempt to show what will be a stock's bottom or top figure in any given year.

RATE OF GROWTH: The rate as based on Nestor's tests, at which the company is showing underlying or long-term growth. This will determine the price trend of the company's common stock over a period of years and in most instances the trend of dividend payments.

Background and principles behind the selection by Nestor were discussed in a special article in The Financial Post, Jan. 10, 1953. A limited number of reprints are available on request.

Hollinger

Hollinger Consolidated trading at recent $22½ or 150% above UV level. Could rise another 7% before reaching OV level. The recent price equals 50 times 1954 earnings of 45c a share — and provides a yield of 1.07% on basis of 24c annual dividend rate.

Outlook appears excellent with development of iron ore holdings in Labrador-Quebec operated by subsidiaries. Production this year should reach six to seven million tons, may be higher. Shipments next year aimed at 10 million tons.

On basis of 10-million ton operation and current ore prices, it is estimated Hollinger's total equity in pre-tax profits of the iron ore operation, plus continuing net earnings from gold mining and other sources, should run $1.50 to $1.70. Some question as to whether royalty earnings of concession companies will qualify for regular Canadian tax exemption for new mines. If they do, minimum earnings may be around $1.70 and if not earnings may run about 20c less.

This could be higher, depending on tonnage of ore shipped for account of concession companies, Hollinger North Shore Exploration and Labrador Mining and Exploration. Over-all earnings could run $2.05 pre-tax if royalty earnings tax-exempt during initial three-year period, based on Hollinger North Shore shipping one million tons and Labrador Mining 500,000 tons out of the total 10 million tons.

It is estimated that iron ore and other earnings may bring about $2.30 per share when iron ore shipments should amount to about 20 million tons with completion of Seaway. Tax exemption will have expired by then.

This doesn't make allowance for shipments of ore by concession companies for their own account. This volume unpredictable but should run earnings considerably above $2.30 level.

Revenues from Hollinger North Shore and Labrador Mining over next two years will be needed to finance commitments for iron ore development and base metal exploration and put them on a self-supporting basis, it was stated at annual meeting.

In addition, in concession areas it's understood there have been traces of lead, zinc, copper and nickel. Great deal of interest in Ungava area where 30 different copper showings uncovered.

Alta.'s Linseed Oil Industry Grows; Flaxseed Demand High

From Our Own Correspondent

LETHBRIDGE — Happier times have returned for Alberta's linseed oil industry, in the shape of a sprawling plant at nearby Medicine Hat which processes flaxseed grown in the surrounding districts.

And with the strong comeback by the industry — because of the linseed oil's byproducts — prospects are that the local demand for flaxseed in Southern Alberta may expand substantially.

The byproducts which have greatly revived the industry include stabilized asphalt, liquid soap, linseed meal, fence post preserver, and primer and sealer.

There always has been a demand for raw, boiled and refined linseed oil and it continues today, particularly for use in shellacs and varnishes.

However, with the introduction of rubber-based paints in 1948, the Medicine Hat Linseed Oil Co. found the demand for linseed oil drastically reduced. Rather than admit defeat, the company's general manager, A. G. Harvey, and the plant's chemist, Charles Gower, began searching for new outlets and new uses for their industry's production.

And both now are satisfied that they have found the answers to their problems.

Until 1948, the large plant at Medicine Hat produced chiefly oil and cake meal obtained from flaxseed. Now it is producing many byproducts.

The asphalt stabilizer which Mr. Gower developed has dented the market this year. It has many uses, including a base for shingles. It can withstand tremendous heat and all types of weather without contracting or blistering.

The Medicine Hat linseed oil industry purchased approximately 100,000 bushels of flaxseed from district farmers last year. Prospects are that it may purchase considerably more this year. The company's elevator has a capacity of 150,000 bushels, and its storage tanks can hold 180,000 gallons of oil.

The flaxseed is processed simply. The meal and oil are separated much like milk and cream, at a temperature of 400 deg. F.

One bushel of flaxseed produces one gallon of oil and 33 lb. of meal.

Linseed meal enjoys a strong demand from operators of Southern Alberta's livestock feedlots and large cattle ranches.

The linseed oil industry is assured of ample raw materials as a result of the abnormally heavy crop of flaxseed in Alberta and neighboring Saskatchewan this year.

Alberta's production is estimated at 3,181,000 bushels from 248,000 acres, while Saskatchewan farmers are expected to harvest nearly 14,000,000 bushels of flaxseed from 1,180,000 acres.

Harvesting of the crop in the region normally supplying the industry at Medicine Hat has been completed, and yields were generally of the bumper size. They averaged almost 15 bushels of flaxseed per acre, many farmers harvesting yields of from 20 to 30 bushels per acre.

Newling Abandons New York Office

A Toronto Stock Exchange member firm has given up attempts to firmly establish a New York branch office.

Newling & Co., is closing its Wall Street office just about a year after it opened it because of "unwieldy administrative problems." R. Glandfield, a partner, told The Post.

"Volume of business was satisfactory," said Mr. Glandfield, "but extended overhead and the problem of distance have forced us to close down in New York."

Newling, unlike most other Canadian brokerage firms operating branches in the U.S., stuck to a commission business. Others usually act as investment dealers as well as commission brokers in filling orders on the TSE.

As one example of the problems facing a Canadian stock firm operating in the U.S., Mr. Glandfield mentioned confirmation of orders. U.S. clients' buying and selling orders are handled in Toronto. However, delays of up to two days in mail result in considerable confusion. The American customer may think his order has not been filled and again place the same order.

Also there are problems arising in controlling margin accounts and other internal bookkeeping.

Newling & Co. now will operate only their Toronto office. Staff of the Wall Street branch was American with a director of the Canadian firm visiting there periodically.

Bowater's Register Here Is Not Regarded As Trend

MONTREAL (Staff)—Although Bowater Paper Corp. has now established a Canadian register, investment circles don't think it likely other U.K. companies will follow its example—at least not in the near future.

At present, it appears there isn't enough action to require such a move although a few stocks are catching some attention. And, there has been a slowdown in British securities crossing the ocean in recent weeks.

Earlier in the year, there was a lot of activity in some British stocks, but the trend slowed down with the tightened money situation and the rather rougher reserves picture.

But Bowater had good reason to establish a register here so that stock held by resident Canadians will be transferable in Canada in the future.

One broker estimated that perhaps one million shares were now held in North America. Another said 500,000 to 750,000 came to Canada last spring.

In the past three months, it is understood practically all the trading in the stock has involved shareholders in Canada and virtually none from England. Two weeks ago there were some shares going back to the Old Country but it seems that now there is a "delicate balance" of shares going to and from England, involving this country.

The major reason for Bowater establishing a register, aside from the interest here in Newfoundland and Tennessee developments, was probably the confusion which arose over a Bowater offering of 2.4 million ordinary shares (FP, July 2) last June.

In any event, the new setup, among other things, should now eliminate the long delay which often occurred between a sale or purchase and delivery of a stock involving transfer from one Canadian resident to another.

The move is almost unique in Canadian finance. Only once before has a United Kingdom company set up a transfer office in this country. This was the Hudson's Bay Co., and the case was different because most of the assets of Hudson's Bay are in Canada, whereas Bowater is a worldwide organization.

It was stressed that for legal reasons the Canadian Bowater register is restricted to ordinary stockholders living in Canada and having registered addresses here.

The Royal Trust Co. in Montreal will be transfer agent. Canadian holders of U.K. stock certificates on record Sept. 15 may transfer their stock to the Canadian register by application to Royal Trust. Letters of transmittal have been sent out wherever possible, or may be obtained on application to the trust company.

The opportunity of transferring will remain open for present stockholders until Oct. 21. Those who acquire stock after Sept. 15 may also transfer, but they should first apply to the Royal Trust for a special form.

CNR, CPR Join Hands To Boost Piggy-Back Plan

MONTREAL (Staff) — The two traditional railway rivals in Canada — CPR and CNR — joined hands last week to advertise jointly their piggy-back transportation service.

"It's a marriage of convenience rather than a restriction of competition," explained a spokesman for one. It seems the railways entered an agreement many years ago that they wouldn't advertise freight service. "We have broken it jointly in an effort to get more business."

CNR started its operation as a "modest experiment" in co-ordination of railway and highway services for less - than - carload merchandise freight between Montreal and Toronto, with 12 railway-owned semi-trailers and six specially adapted flat cars. That was on Dec. 12, 1952. In less than three years, it has carried more than 100 million lbs. of freight by piggy-back in more than 13,000 CNR-owned trailer shipments.

That's quite a healthy increase. But consider its fleet. It now includes:

—44 semi-trailer and 22 flat cars with more on order.

—Service has been extended to Hamilton and to London and officials are looking into the possibility of moving into other shipping centres.

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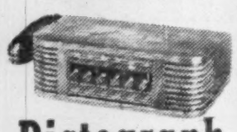

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Medicine Hat Pottery Plants Are Reopened

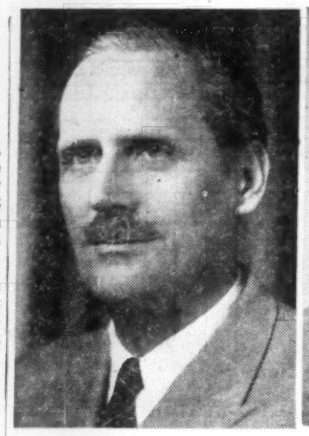
From Our Own Correspondent

LETHBRIDGE — Marwell Ltd. interests of Vancouver now are operating both large pottery plants at nearby Medicine Hat after recently acquiring Medalta Potteries Ltd., which had been shut down for nearly a year.

Official announcement has been made that the new management will resume operations of the pottery division of the Medalta plant on a limited scale "immediately."

The Marwell interests, which purchased Medicine Hat Potteries Ltd., some months ago, will coordinate operations of the two large pottery plants in Medicine Hat under one firm name—Hycroft China Ltd. This is a federally incorporated company.

The former Medicine Hat Potteries' plant, which will continue production of plain and whiteware pottery lines, will become Hycroft No. 1 plant and will contain the head offices of the new firm. The former Medalta plant, which will be used for the development of new lines of over-glaze chinaware and dinnerware, will be the Hycroft No. 2 plant.



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Bank Finds 'Natives' Friendly

Mercantile Opens Third Canadian Branch at Toronto

The "natives" have proved friendly, said cautious Dutchman H. E. Moquette with a smile, so Canada's newest chartered bank opened its third branch this week with a reiterated promise to neglect neighborhood banking to concentrate on strategic centre service to medium-sized corporations.

Mercantile Bank of Canada President Moquette opened the firm's new Toronto branch with a comparison between modern international banking and the practice of Dutch seafarers of bygone centuries who settled unknown countries by establishing coastal communities before venturing inland. Now, he said, we have penetrated into the heart of this country. You may conclude that we have found the inhabitants friendly.

The Toronto branch will be headed by H. E. Abbott who began his banking career 30 years ago with the now defunct Union Bank of Canada. He joined the Canadian affiliate of Netherland's Handelsbank N.V. in 1953.

The two other bank offices are at Montreal and Vancouver.

At the official opening of the branch Mr. Moquette explained why his organization would not try to imitate or duplicate the services of the old-established Canadian banks.

"We are a medium-sized bank," he said, "and we plan to act as such both for domestic and foreign transactions. We want to deal with firms whose borrowing needs run into thousands or hundreds of thousands of dollars or we will act as a complementary service for very large corporations."

The bank has four major aims:

—To act as a medium through which European firms may move capital or subsidiary operations into Canada.

—To channel Canadian business interest in Far East trading.

—To participate in the current campaign of the Netherlands Government which is trying to attract North American capital and subsidiary operations.

—To grow with Canada through a vigorous policy of banking service to medium-sized Canadian corporations.

One avenue being explored by the bank is a dormant feature of the Canadian banking system whereby temporarily idle funds can be put to work in the form of time deposits. This is a common feature of European banking, the president said, and it will fit in logically with the development of a Canadian money market.

Among the Mercantile services, Mr. Moquette reported, was a publication department that would serve the two-fold purpose of informing Canadians about commercial conditions in strategic trading centres of the world and inform world businessmen about conditions in Canada. Of particular interest to Canadian businessmen is a series of reports on Far East trading conditions.

The bank president also reported that the Toronto office opening was "ahead of schedule" and that Canadian acceptance of the bank had made expansion of Montreal head office facilities necessary. He also announced that future plans call for branch offices in other Canadian cities — but only in future years.

Govt. Loan Booklet List Tax Data

The 1955 edition of the Bank of Montreal's booklet, "Funded Direct and Guaranteed Loans of the Federal and Provincial Governments" has just been published.

The 68-page booklet, which is prepared by the bank's securities department, contains detailed information on government securities and data on taxation of such investments.

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WINNIPEG, Man. REGINA, Sask. SASKATOON, Sask. CALGARY, Alta. EDMONTON, Alta. VANCOUVER, B.C. VICTORIA, B. C.

BETTER ELEVATORING IS THE BUSINESS OF OTIS

Chevrier Predicts Lake-Type Ships To Survive Seaway

OTTAWA (Staff)—There's little chance that Canadian grain will ever be picked up at the Lakehead and carried directly to Europe President Lionel Chevrier of the St. Lawrence Seaway Authority said this week.

Such direct shipments would hardly be practical or profitable to ship operators, he indicated. Even after completion of the seaway in 1959, he said, laker-type vessels would probably continue to carry bulk traffic on the Great Lakes and the seaway. These vessels can operate between the Labrador railway terminus at Seven Islands, Que., and Lake Superior ports, handling ore, grain and coal.

Trans-shipment would therefore remain an important step in moving western grain to market, he said, adding that the most logical points for this trans-shipment would seem to be below the seaway.

Navy Studies New Harbor Craft

MONTREAL (Staff)—To meet a requirement for a ship's boat of greater speed and carrying capacity than those currently in use in destroyers and frigates, the technical branches of the Royal Canadian Navy are investigating the use of boats designed along the lines of the versatile landing craft.

Specifications of a 27-ft. landing craft have been prepared and a prototype is nearing completion at Kingston Shipyards, Kingston, Ont. Meanwhile, various tests are being carried out on a model of the craft by the National Research Council.

The craft has been conceived as a general purpose boat capable of operating in harbors or reasonably protected waters, either at fairly high speed, or for transporting libertymen, large landing parties or cargo at medium speeds. The prototype is being fitted with two 95-hp. diesel engines.

While the present specifications call for wood construction, consideration could be given later to fabricating the boats from reinforced plastic. It is anticipated the boat will operate at speeds of from 12 to 18 knots, it has been designed to carry 24 men seated or 40 standing, Cargo capacity is rated at more than three tons.

Begin Saint John Port Expansion

MONTREAL (Staff) — Work will begin immediately on construction of new freight buildings to include grain galleries at West Saint John, N.B., a spokesman for Argo Construction, Ltd., of Montreal, which was awarded the contract involving $586,000, said.

The award was made by the Federal Government. Argo tender was the lowest of several submitted. Work may not be completed before next summer.

The new buildings will provide about 330-ft. extensions to existing structures. The grain galleries will be able to service two large ships docked at each of two wharfs.

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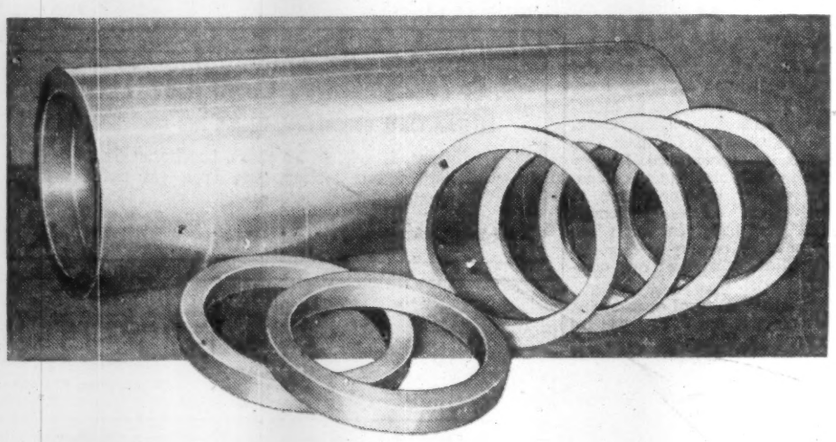

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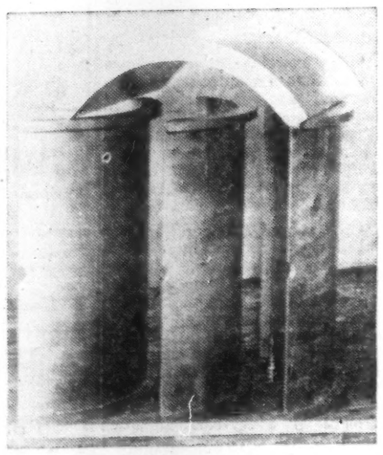

Centricast tubular products are economical and highly practical for machining into various assembly parts, such as rolls, cylinder liners, ring gears, piston rings, cages for roller or ball bearings, straight or flange bushings—in fact many such applications.

Centricast tubular products are cast in cylinders of various diameters, lengths and wall thicknesses. These can be supplied rough machined on outside and inside diameters, as semi-finished blanks, or as assembly parts fully machined to specifications.

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"The Man From Sun Oil" Explains How

NEW SOLNUS OIL

Cut Operating Costs and Licked a Tough Wax Problem on this Accumulator Pump

Used to boost city water pressure for the operation of a hydraulic extrusion press, this pump was a "problem child" until "The Man From Sun Oil" prescribed New Solnus as a lubricant.

Of three products previously used, one proved too light, and the others produced wax precipitation which had to be literally shovelled out of the oil cooler. Naturally, this resulted in inefficient cooling and constant danger of plugged oil lines and burned out bearings.

Solnus 750 eliminated the wax problem and actually *cost the customer far less to use.* New Solnus costs less per gallon than one product previously used; and consumption was reduced 75% as compared with the previous product. Estimated total savings on the operation of this pump (including cost of cleaning out wax twice a month): *$1,426.00 per year.*

New Solnus is a multi-purpose oil which has solved costly problems in *many* plants. Discuss its applications with "The Man From Sun Oil" next time he calls.

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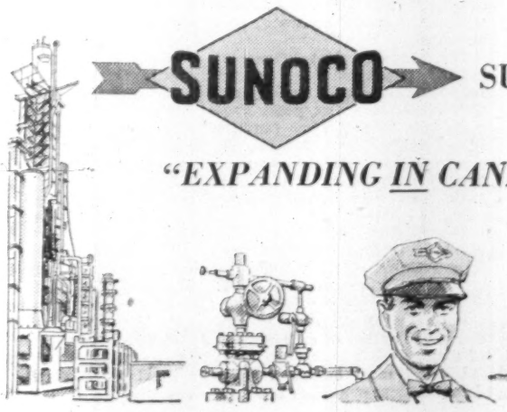
INDUSTRIAL PRODUCTS DEPARTMENT

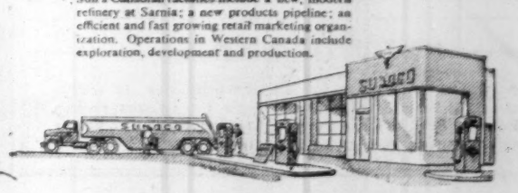
SUN OIL COMPANY LIMITED

TORONTO-AND MONTREAL

"EXPANDING IN CANADA WITH CANADA"



Sun's Canadian facilities include a new, modern refinery at Sarnia; a new products pipeline; an efficient and fast growing retail marketing organization. Operations in Western Canada include exploration, development and production.



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This Candy Maker Sells Ideas

How Van Kirk Markets Offbeat Products

A willingness to try out new ideas and a keen eye for offbeat items likely to build specialized markets are two factors that have kept pint-sized Van Kirk Chocolate Corp., Toronto, alive in the rough-and-tumble Canadian candy business.

Dwarfed by industry giants such as Neilsons, Fry-Cadbury, Rowntrees, Willards and Lowneys, the Van Kirk organization was up against problems typical of those faced by most small firms in big industries, when it was incorporated in 1947. The major companies were well established in traditional chocolate lines such as bars and boxed chocolates, had the financial depth necessary to withstand product failures and had little fear of price competition.

Van Kirk executives headed by General Manager John R. Devor, were experienced candy merchants—associated with several other companies before incorporation—but they had to face the difficulties inherent in the chocolate business itself.

Materials costs were and still are unstable (cocoa butter, for example, was 6oc lb. in 1953 and jumped to $1.20 last year), labor costs were starting their postwar rise and a hefty chunk of capital was required for machinery and production equipment (one chocolate line alone can involve up to $25,000 worth of machinery).

In addition, the regular sales outlets for chocolates, candy counters in stores and restaurants, were crammed with competing products. There wasn't much of a chance of a small firm being able to squeeze in enough space on these counters to stay in business.

Consequently Devor decided on these approaches:

1. A policy of producing new products — including those that the big operators weren't bearing down on.

2. A sales approach concentrating on new outlets—chain stores, for example, had not been major chocolate product outlets before the war.

3. Diversification so that failures in some lines could be carried by others selling in a different market.

4. Use of new or substitute materials that would make it possible to put out lower-cost lines.

5. Market research for new and better materials which would overcome some of the disadvantages of regular chocolate in such things as ice-cream coating.

6. Emphasis on standout or unusual packaging: For example, a heavy paper toy truck filled with chocolate-coated animal crackers to appeal to kids and a candy bar with subdued colors when the majority of bars were in bright, sometimes gaudy, wrappers.

To Cut Production Cost

The hoped-for result: volume sufficient for the company to cut production costs, diversity sufficient to give the company flexibility and specialization of three or four lines which Van Kirk would have more or less to itself.

Several factors convinced Van Kirk officials their approach would work. The fact that a growing percentage of candy sales in Canada is imported merchandise was taken as a strong indication that the established manufacturers weren't meeting the demand for new products well enough.

New outlets, Devor felt, would solve a great part of the marketing problem. Packaging was paying off in other products such as cereals and tinned goods and development of substitute materials had been given a big boost by the war when regular chocolate products were in short supply.

And mistakes helped prove the point. For example, Van Kirk, partly as a result of pressure from its capital sources which stressed the theme "stick to established goods where someone has proved a product will sell," tried out a chocolate bar.

The bar, a dark chocolate made with milk and containing whole almonds, caught on well. One reason was the fact that no dark bar containing milk and whole almonds was being sold nationally in Canada.

But the sales water was too deep. Van Kirk wasn't able to weather the competition of the large manufacturers in the bar field. So, the company returned to its original policy.

Offbeat Items

This meant a shift to all sorts of offbeat items — most of them Canadian firsts with the company. A few of them:

—Chipits (tiny buds of chocolate used by housewives and bakeries to make chocolate chip cookies). This line was a success from the start and, because it is not a major product, Van Kirk has been able to meet competition. A factor is the general rule in the business that the first company to push a new product nationally has a head start in customer acceptance that is hard to overcome.

—True root ginger, another line with limited but steady sales that was small enough to discourage big company interest and yet worthwhile to a specialty house. It was largely the result of packaging developments that made it possible to pack the ginger with a moistening compound in an airtight plastic bag.

—Chocolate - coated animal crackers, the result of a sales twist. Van Kirk had been selling chocolate to biscuit makers for use on coated crackers. They figured, correctly as it turned out, that it was just as logical to buy biscuits from the bakers and coat them themselves.

—Synthetic chocolate ice-cream coating. This was at one time a highly controversial item among chocolate manufacturers since it meant substituting another fat for the traditional cocoa butter. It was a success since the alternate fat provided a more workable coating (didn't chip or flake off on the eater's lapel) at a lower price.

—Cookie mixes, reflecting the two policies of new products and diversity of lines. Of the mixes, which are similar to big selling cake mixes, Van Kirk claims its oatmeal cookie mix is the first manufactured commercially in the world. Its a small line so far but a steady seller.

—Synthetic TV bars, introduced after the company figured out a way to mold the synthetic chocolate into bar form. The synthetic chocolate has much the same kind of market appeal as margarine has — lower cost than the regular product (about half for the TV bar) and taste and consistency almost identical with that of the regular product.

There were some flops too. Van Kirk brought out a children's cookie baking set which everyone thought would be a whopping success. Good advance orders were booked and a sizeable portion of the company's ad budget was allocated to promotion. The line didn't even return production costs.

But for over-all operations the policy has paid off. Diversity has given flexibility to accommodate single lines failures, the offbeat ideas have carved slices of specialized markets for the company and continuing sales promotion has kept up sales.

"EXPORT"
CANADA'S FINEST CIGARETTE

THE BOWATER PAPER CORPORATION LIMITED
CANADIAN REGISTER AND TRANSFER OFFICE

The Bowater Paper Corporation announces that a Canadian Register and Transfer Office for Ordinary Stockholders of the Corporation resident and having registered addresses in Canada will be opened by The Royal Trust Company, 400 Craig Street West, Montreal, on Friday, 9th September 1955.

The opportunity is being given to Ordinary Stockholders of record on the 15th September 1955 to transfer to that Canadian Register by direct application to The Royal Trust Company, and to receive new Canadian stock certificates in exchange for their present United Kingdom stock certificates. For that purpose Letters of Transmittal have either been sent to the Stockholders in question or may be obtained from the offices of The Royal Trust Company, Montreal.

The Ordinary Stockholders of record on that date include subscribers to the recent rights issue, in respect of which the fully paid allotment letters which they hold are to be lodged at the Transfer Registration Office of the Corporation in London on or after 26th September 1955. As an alternative, holders of such fully paid allotment letters who prefer to be recorded on the Canadian Register and to receive a Canadian stock certificate instead of a United Kingdom stock certificate, may do so by completing Letters of Transmittal and sending these together with their fully paid allotment letters to the offices of The Royal Trust Company in Montreal.

The opportunity to Stockholders thus to transfer to the Canadian Register remains open until 21st October 1955. Ordinary Stockholders who come on record after the 15th September 1955 may also transfer to the Canadian Register and a special form of request for transfer for use in such cases may be obtained from The Royal Trust Company, Montreal.

IT IS IMPORTANT TO NOTE that by reason of the provisions of the laws of the United Kingdom with which the Corporation is required to comply, THE CANADIAN REGISTER IS RESTRICTED TO ORDINARY STOCKHOLDERS RESIDENT IN AND HAVING REGISTERED ADDRESSES IN CANADA.

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Industrial Growth

Diesel Service

Plans for a 16,000 sq. ft. branch plant in suburban Toronto have been announced by Russel-Hipwell Engines of Owen Sound. The new plant will be used for Ontario sales staff headquarters and for diesel maintenance, repair and parts service.

About 30 persons will be employed at the plant, the fourth and largest branch opened by the company. Operations are expected to be under way by next spring.

* * *

Concrete Slabs

Siporex Ltd. plans additions to its plant at Deison, Que., near Montreal, which are expected to triple present production capacity. Completion is scheduled for early next year.

Company officials said the expansion results from greater-than-expected demand for their output of precast, lightweight concrete roof slabs, floor slabs, load-bearing wall slabs and partition wall slabs. An additional 100 persons are expected to be employed in the plant when expansion is completed.

* * *

Rubber Goods

B. F. Goodrich rubber company has announced that a $3½ million interna. expansion program at its Kitchener, Ont., plant will be completed by next summer. The additions are planned to increase capacity by 30%.

Expansion has included the modernizing and reinforcing of a five-story manufacturing building and the installation of a wide range of new manufacturing equipment. The Kitchener plant produces some 300 different sizes and types of tires, a variety of plastic compounds and articles and industrial rubber products.

* * *

Machine Tools

Standard-Modern Tool Co. has announced that its 20,000-sq. ft. plant and office building in Windsor, Ont., is scheduled for completion in late October.

The $900,000 headquarters building, designed to allow for future expansion, will be used for manufacture of the company's special purpose machine tools and drilling machines. Some 100 persons will be employed there.

* * *

School Coaches

Van-Wilson Ltd. expect to commence full-scale production of school coaches and bodies for commercial trucks this month in their new plant on a 7½-acre site at Aldershot, Ont., near Hamilton.

* * *

Lewis-Howe Co.

Construction of a new 8,000-sq. ft. plant for Lewis-Howe Co. in Windsor is nearing completion. The $125,000 building will be used for manufacture of the company's Tums and Nature's Remedy products.

Let's Talk Forms

MOORE

The man who said "the little things are the big things" must have had business forms in mind. It's surprising what the right form, or the right *system*, can do for a company. A case in point is the pharmaceutical house that recently corrected a troublesome invoicing system. There are ideas here that will help any invoicing system . . . in fact, any of the 9 key operations of business, as the people at Moore describe them.*

The Old System

A master plate was used to prepare 3 copies of each invoice. There were several unfavorable aspects to this method, among which were

Cost: This was the most important disadvantage. Each invoice cost a little over 11½ cents to produce (counting only the master, the run-off paper, and the machine and labor costs) . . . with 160,000 orders processed each year, this cost mounted up!

Storage: 4 out of the 3 prepared copies were used only once, then filed.

Appearance: The master plate often became smudged and dusty through storage and had to be remade to prepare presentable customer copies.

Processing: Each invoice copy had to be dated; 2 customer copies stapled and sent to the mail room. This handling method was slow and inefficient.

The New System

The company decided to do something about speeding up their invoicing . . . so they called in a representative from Moore. Like a lot of men from

that organization, the Moore man approached the problem with a fresh and creative viewpoint. In examining any operation, he kept asking "Why?"

The final result was described by the company as "an astounding improvement that had a chain reaction like an atom bomb!" One improvement automatically led to another, and still another, in succession.

THE FORM

4-part Moore Speediset with copies as follows: Customer, Commission, Tabulating, Accounts Receivable.

Savings and Gains

The big change was a reduction in number of copies from 8 to 4. Furthermore, a multi-copy invoice became a multi-use invoice. The Moore Speediset designed as the system's backbone brought unit cost from 11½ cents down to a little over 1½ cents. Over-all saving, through various system changes, amounted to more than $15,000 a year.

COSTS 160,000 Invoices		COSTS 160,000 Invoices	
Invoice Sets	$ 7110	Invoice Sets	$ 2769
Paper	2,170	Other Forms	264
Machine	1800	Paper	0
Labor	7500	Machine	0
Total	$ 18,580	Labor	0
			3033
		Saving	$ 15547

The system made smooth work-flow possible, with desk duties outlined for each clerk; desks were rearranged to facilitate handling; man-hour savings were realized. If you would like to read more details on this improvement, write Moore for the System Survey described in the coupon. Or mail the coupon to the Moore office nearest you.

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Please send me more details on Moore System Survey FP9-A-XX.

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*At Moore Business Forms, they break down the operations of business into: Buying, Receiving, Stockkeeping, Production, Selling, Delivery, Billing, Collecting and Disbursing.

TOPS !

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CALVIN BULLOCK Ltd.

More Jobs Than Applicants Is Varsity Grad Forecast

More jobs than applicants are forecast for practically all types of Canadian university graduates for the coming year. In some specialty fields, the shortage of trained staff has become critical.

That's the main point stressed in the National Employment Service's latest bulletin on the supply and demand situation in regard to university graduates. The bulletin is issued for use by Canadian employers, university students and employment service officers.

Tightest supplies are found in dentistry, nursing and medicine where enrollments show there will be very little let-up in the shortage for the next two to six years at least. Other fields where demand outstrips supply include education, commerce and business administration, architecture, agriculture, forestry, geology, household science, pharmacy, social work and theology. Less extreme, and close to balanced supply, are arts, law and general engineering.

"There do not seem to be any courses just at the present where a surplus of any size exists," the Bulletin notes. "Even where there may appear to be a small surplus, the graduates are able to find employment."

"The present prospects are that over the next three or four years Canada can absorb all the university graduates who become available, and that in some categories there will not be sufficient to fill the demand."

Newfoundland Cod Liver Oil Output Will Drop

From Our Own Correspondent

The value of Newfoundland's cod liver oil production will be down this year despite the fact prices are $25.00 a tun (254 gallons) higher than in 1954.

Fishery officials say demand is good. But reports from oil factories in the province reveal that supply is a considerable distance below that of last year and a downtrend in over-all value is expected.

$42 Million Financing By Canadian Oil Expected Soon

MONTREAL (Staff) — A new and refunding issue of $42 millions Canadian Oil Companies, Ltd., 4% debentures, 1955 series, will be offered shortly by a syndicate of investment dealers headed by Nesbitt, Thomson & Co.

The issue comprises $12 million 4% serial debentures which have been sold privately and $30 million 4% sinking fund debentures which are being offered at 101. They mature Jan. 1, 1976.

The $30 million sinking fund debentures will carry stock purchase warrants entitling holders to purchase 10 common shares for each $1,000 principal amount of debentures at $25 per share up to and including April 15, 1957, and thereafter at $27 per share up to and including Oct. 15, 1958.

Proceeds will be applied to redemption of all existing funded debt of the company and of its subsidiary, Canadian Oil Refineries Ltd., aggregating about $28,100,000. They will also be used in part payment of the purchase price of the assets to be acquired from Anglo-Canadian Oil Co., in the amount of $10,393,284. The balance of approximately $2,300,000 will be for general corporate purposes.

Acquisition of Anglo-Canadian is a major step in the company's drive to become fully integrated. It also means acquiring one of the pioneers in crude oil and natural gas exploration and development in Western Canada.

Operating chiefly in Alberta, it holds interest in about 170 producing wells and approximately 900,000 acres of leases and reservations. It also is described as having an efficient and experienced organization which will form the production department of the company.

Net earnings of Canadian Oil Companies after depreciation, interest and taxes amounted to $1,725,124 for the year ended Dec. 31, 1954, compared with $1,514,901 in 1953, $1,253,414 in 1952, $1,148,862 in 1951, and $1,140,453 in 1950. In the first seven months ended July 31, this year, net earnings were $1,269,944.

Net income of Anglo-Canadian Oil Co. was $360,802 for the year ended Dec. 31, 1949, $828,933 in 1950, $642,971 in 1951, $554,813 in 1952, $243,831 in 1953, $185,655 in 1954, and $194,838 for the five months ended May 31, 1955.

Earnings of Anglo-Canadian before providing for depreciation, amortization and income taxes amounted to $1,766,583 in 1954 (provision for depreciation and amortization amounted to $1,599,033); $1,326,347 in 1953 (provision for depreciation and amortization amounted to $1,438,892); $1,218,983 in 1953; $1,066,807 in 1951; $1,052,504 in 1950. For the first five months, ended May 31, 1955, earnings before depreciation, amortization and income taxes amounted to $734,699 (provision for depreciation and amortization amounted to $541,379.

Canadian Oil has developed into a much larger and more wholly integrated company since the new Sarnia refinery commenced operation in July, 1952. The prospectus notes 1954 was the first full year in which refinery operations were free of absorption of startup expenses and of technical difficulties associated with commencement of operation of a new refinery.

In the past five years combined earnings of Canadian Oil and Anglo-Canadian, before depreciation, amortization, interest on funded debt and taxes on income were equal to average annual earnings of $6,860,000.

Maximum annual interest payable on the 4% debentures, 1955 series will be $1,680,000.

Outstanding capitalization of Canadian Oil upon completion of the present financing will include $12 million 4% serial debentures, 1955 series, maturing Jan. 1, 1958 to 1964 inclusive; $30 million 4% sinking fund debentures, 1955 series, maturing Jan. 1, 1976; $2,000,000 8% cumulative preference stock, $100 par; $5,000,000 5% cumulative preference stock, $100 par; $1,000,000 4% cumulative preference stock, $100 par; 1,800,473 NPV common shares.

IATA Picks Ideal Heliport, Will Be Four-Story Building

MONTREAL (Staff)—A clearer picture of the future downtown heliport is emerging from the operating experience of airlines on both sides of the Atlantic, the International Air Transport Association reports.

Developed from a report of the IATA helicopter group just published by the organization, the heliport picture resembles some of the more modern bus terminals in many cities — but with some important differences. Operators feel the "ideal" future heliport will probably be located on top of a two- to four-story commercial or civic building.

It will be near city centres or other major traffic generating areas, but away from skyscrapers and other high buildings, with access for private automobiles and taxicabs and within 300 yards of train, bus or tramway connections. It will occupy roof space of about 200 by 400 ft. for operating purposes; and will probably require a control tower.

While it may have additional space for temporary helicopter parking, maintenance, storage and overnight parking facilities will be provided elsewhere, probably at the city airport.

Arrangements for handling traffic may differ, but will be set up to clear transit flights within five minutes and to keep "turn-around" times at terminal stops to a minimum of 12 minutes for domestic flights and 15 minutes for international flights.

Like bus terminals, the location of the heliport will have to be related to ground transport conditions, but it will also be integrated into the whole air traffic control scheme in its area, so that helicopter flights into city centres and fixed-wing aircraft operations into airports on the outskirts will not interfere with one another.

An essential part of the ideal picture will be municipal zoning regulation to protect approach paths and clearances.

The IATA group's report says the heliport should be considered as a community or public service facility, to assure proper transport and communications for modern enterprise, assist the economic welfare of the community and provide a vital link in civil defense organization.

While airports are most often provided by national, municipal or other governmental authorities, there should be more scope for private enterprise in heliport ownership and operation, the report declares. However, operational matters like traffic control, where required, should still be left in the hands of governments "for public interest reasons."

Cdn. Execs Ponder Fast New Aircraft

A 410 mph twin-jet aircraft is touring Canada this week seeking buyers who want speed and quiet in their executive-plane traveling.

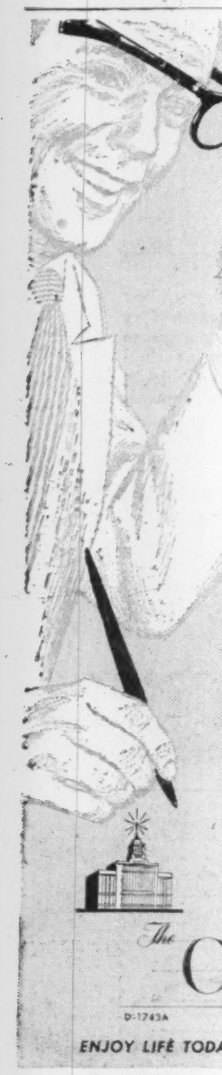
It is the French-designed Morane-Saulnier MS-760, the world's first four-place light jet aircraft designed specifically for executive use. It is being demonstrated in Canada by Field Aviation Ltd., of Oshawa, a Canadian affiliate of Beach Aircraft Corp., of Wichita, Kansas which holds North American manufacturing and sales rights.

The new plane is entered in the RCAF's jet trainer design competition, an attempt to find an easy-to-fly jet aircraft that can replace the conventional piston-driven Harvard trainer used by the Air Force for nearly two decades.

A spokesman for Beach reports that at least one model has been sold so far in the U.S. and that negotiations are proceeding toward additional sales. Cost: near $300,000 now; possibly as low as $60,000 if quantity production goals are realized.

CROWN ZELLERBACH CORP. has made an agreement with Gaylord Container Corp. to merge two companies. Agreement provides for merger of Gaylord into Crown, following approval of both companies' stockholders at special meetings to be held Nov. 22. The 2,695,519 Gaylord common shares would then be converted into same number of Crown common on effective merger, which is expected Nov. 30.

Crown issued 7,135 shares under selected employees stock option plan. Now 11,063,104 shares outstanding.



A Canada Life man surprised our board of directors!

After looking at various types of Pension Plans available to us the Board had been unable to come to any decision. So we were all surprised when a Canada Life man presented a plan so logical, so carefully thought out, and so suited to *our* needs that there was unanimous agreement.

Canada Life people take a very realistic view of all types of Life Insurance, and their group of tax and insurance experts are there to help you find the best solution to your problems. For business insurance of any kind . . . whether it be Partnership, Key Personnel, Group or Pension Plan . . . we firmly believe you'll find it worthwhile to discuss it with Canada Life.

The CANADA LIFE Assurance Company

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Severe weather and formidable terrain make ground surveys slow, hazardous and expensive. On any survey—in any season, anywhere in Canada, you can save time, money and manpower by turning the job over to the SPARTAN-CANADIAN AERO team.

We have the aircraft, the precise mapping equipment, and the skilled specialists to do the job. Together, SPARTAN-CANADIAN AERO crews have more aerial mapping and exploration experience than anyone else in Canada: more than 600,000 miles of magnetic surveys, and well over a million miles of aerial photography and mapping.

Whatever your requirements—magnetic or photo-geologic studies or topographic mapping—call on us in the planning stages of your next project.

Winter ground survey, Northwest Canada

SPARTAN AIR SERVICES LIMITED
CANADIAN AERO SERVICE LIMITED
MONTREAL OTTAWA TORONTO EDMONTON

Somewhere there's a factory
(we don't know where)
with a production bottleneck
(we don't know how it started)
that's depressing the board members
(they're strangers to us)
which an efficient source of forgings could cure
(that's something we do know about)

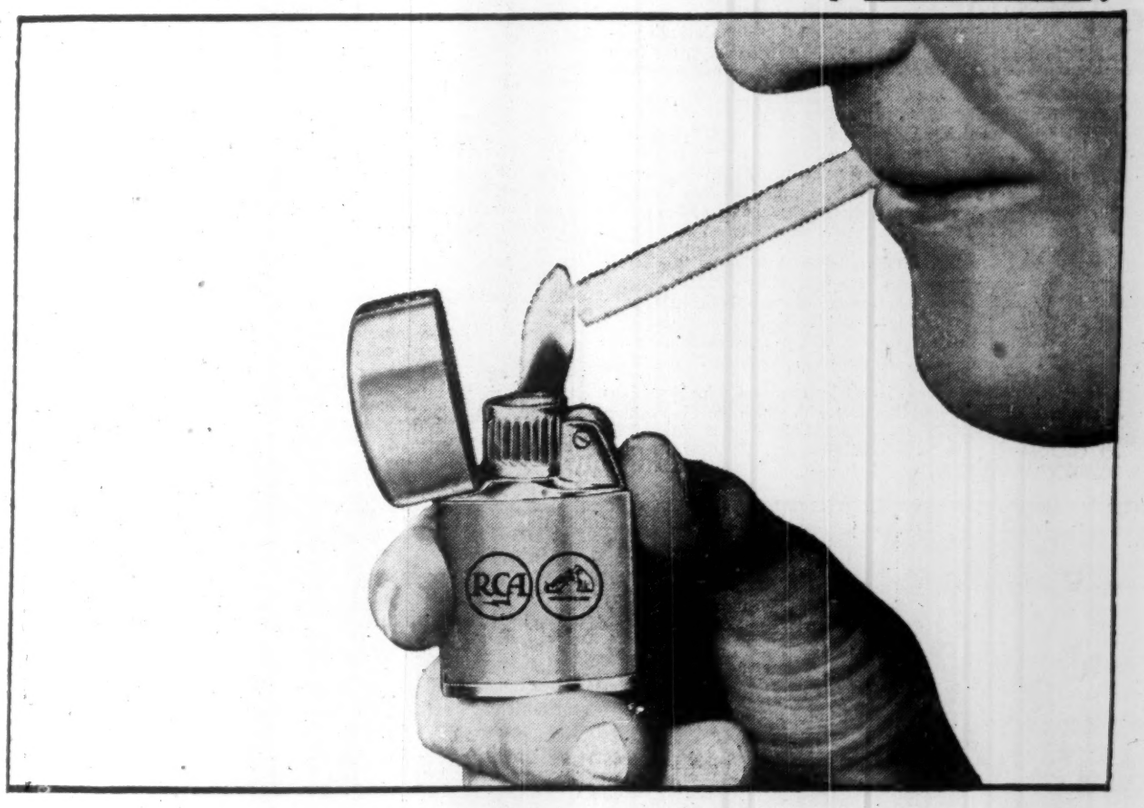
If an efficient source of forgings, sand castings, die castings, or automatic screw machine products would make life easier for *you*, read on. For the past fifty years customers have kept coming back to us for efficient service. Recently Wallaceburg-Singer Limited was formed to extend our services and is now supplying cored brass forgings of the best quality. Our deliveries are reliable, our prices right and our quality a byword.

Call us for machined sand castings in brass and bronze, cored brass forgings, die castings in zinc and aluminum, and automatic screw machine products in brass, steel and aluminum.

WALLACEBURG BRASS LIMITED
WALLACEBURG, ONTARIO
AND ITS AFFILIATED COMPANIES
Wallaceburg-Singer Limited.
Dominion Die Casting Limited

BRANCHES: MONTREAL, TORONTO, LONDON, WINNIPEG, CALGARY, VANCOUVER

Prestige business gifts by RONSON



NEW 'WINDLITE' BY RONSON . . . already Canada's most talked about Windproof lighter. New owners proudly show off the Windlite—and with it, your company's name, trademark, or advertising message.

Impressive Choice, Wide Price Range

Put your company's name on a handsome Ronson lighter, and you've a business gift that will please . . . and impress. Countless times a day your gift will be used—and every time your name, slogan or trademark will be displayed in the light of Ronson quality and prestige. It would be a pleasure to show you the complete Ronson line . . . explain how our lighters can be personalized . . . our prices are attractive—starting at less than $5.00. Tell us your needs . . . we'll show you how Ronson can meet them.

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Goodwill Gifts Division
290 Old Weston Road, Toronto, Phone RO. 7-5491
I would like complete information on Ronson lighters for business gifts.
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Company.....
Street Address.....
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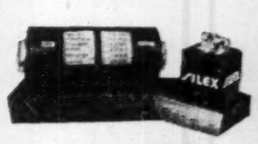
RONSON 'WINDSOR' Choice of gleaming colours

RONSON 'TRIUMPH' with "easy-fill" swivel base

RONSON 'TROPHY' handsome for table or desk



RONSON 'DATELITE' perpetual calendar with *desk lighter *available separately

RONSON ELECTRIC SHAVER revolutionary in design and performance. As displayed, or with space-saving Ronson Trip Kit holding travelling extras—comb, nail file, toothbrush, toothpaste.

world's greatest lighter RONSON *world's greatest business gift*

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a 10-day free trial

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with high speed multi-flex control

See for yourself how much faster, quieter, simpler to operate this new machine can be. Test how easily it multiplies, how swiftly you change over between types of figure work with the amazing "multi-flex" control. Judge for yourself its smooth, cushioned, untiring action; its time-saving money-saving speed.

Get the evidence at your fingertips and prove that the new Underwood Sundstrand can help you do your job more efficiently than ever. Try it and you will agree that no other adding-figuring machine gives you so much figurework for so little effort.

Arrange with your nearest Underwood branch right away for a free 10-day trial.

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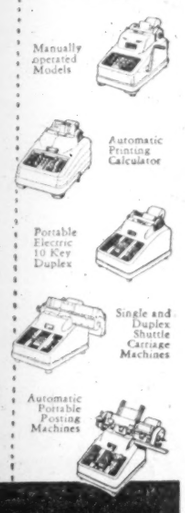

Adding Machine Division

Underwood Limited

HEAD OFFICE: UNDERWOOD BUILDING, 135 VICTORIA STREET, TORONTO 1

COMPANY-OWNED BRANCHES AND SERVICE IN ALL CANADIAN CITIES.

Made and serviced by the makers of Underwood typewriters.

SEC Reports Stock Trading

Among changes in security holdings recently reported by the U. S. Securities & Exchange Commission, covering reports filed with the SEC by company officers and directors, were the following:

Herbert W. Grindal, director, sold 3,000 shares Bailey Selburn Oil & Gas, reducing his holdings to 10,000 at the end of July.

Ross H. Faulkner, director, bought 2,000 shares Banff Oil which represents his entire holdings in the company at the end of June.

W. H. Hohag, Jr., officer, bought 1,200 shares Banff Oil, increasing his holdings to 2,000 at the end of July.

J. B. Challies, director, held 660 shares Brown Co. at the end of June, acquiring 560 shares through exchange or conversion of stock during month.

E. H. LaBorde, officer and director, bought 1,300 shares Canadian Homestead Oil, increasing his holdings to 66,075 at the end of July.

W. A. Arbuckle, director, bought 2,500 shares Canadian Petrofina and sold 2,000, increasing his holdings to 700 at the end of May.

Ross H. Faulkner, director, bought 2,000 shares Charter Oil, increasing his holdings to 2,010 at the end of June.

George W. Mitchell, officer and director, bought 15,000 shares Eureka Corp., increasing his holdings to 25,833 at the end of June.

Union Oils had 1,099,921 shares Federated Petroleums at the end of July, acquiring 55,700 during month.

Ellsworth C. Alvord, director, reports acquisition of $20,000 General Dynamics 3½% convertible debentures for account of a holding company in which he has an interest; this represents its entire holding at the end of July.

Theodore F. Boecker, Jr., director, reports acquisition of 1,000 shares Inter-Canadian Corp. for a joint tenancy account, increasing holdings to 1,272 at the end of July. Mr. Boecker holds eight shares.

Garfield King, officer and director, bought 1,600 shares Inter-Canadian Corp., increasing his holdings to 1,940 at the end of July.

Cyrus R. McCotter, director, bought 100 shares Inter-Canadian Corp., which represents his entire holdings in company at end of July.

Andrew McNally III, officer and director, bought 800 shares Inter-Canadian Corp., which represents his entire holdings in company at end of July.

Sterling Morton bought 1,000 shares Inter-Canadian Corp., increasing his holdings to 1,280 at the end of July.

Daniel Peterkin Jr., director, bought 2,000 shares Inter-Canadian Corp., increasing his holdings to 2,340 at the end of July.

William F. Regnery, officer and director, bought 1,000 shares Inter-Canadian Corp., increasing his holdings to 1,280 at the end of July.

Theodore S. Watson, director, reports that Wailie Corp., in which he has an interest, sold 100 shares International Utilities, reducing its holdings to 11,900 shares at end of July. Investors and Traders, in which he also has an interest, sold 100 shares, reducing its holdings to 5,200 at the end of February. Mr. Watson held 2,000 shares which represents his entire holding at the end of July.

S. P. King, officer, bought 300 shares Merrill Petroleums, increasing his holdings to 1,000 at the end of July.

O. W. Matheny, officer and director, sold 2,600 shares Merrill Petroleums, reducing his holdings to 101,620 at the end of July.

George De Martini, director, reports that Cohen Simonson, in which he has an interest, sold 1,000 shares Molybdenite Corp. of Canada, reducing its holdings to 1,000 at the end of June. Mr. De Martini held 8,000 shares, his entire holdings, at the end of month.

Jasper Oil had 583,796 shares Okalta Oil at the end of July, acquiring 1,500 through exchange for Jasper stock and buying a further 400.

Special Sales Course Offered For Toronto Insurance Men

School bells are ringing for life insurance salesmen.

Some 80 Toronto area life insurance salesmen this week are taking a five-day course designed to help them make more money by selling more insurance and give better service to their clients.

Called the Life Insurance Marketing Institute, the course of studies is conducted by Hal C. Nutt, director of the Life Insurance Marketing Institute of Purdue University in the U. S., and two of his assistants. It is sponsored by The Life Underwriters Association of Toronto and is being held at Hart House at the University of Toronto.

This is the second such institute conducted by the Toronto group but has expanded considerably from two-days last year.

Two courses are offered insurance salesmen. Newcomers can take basic fundamentals of selling. The advance studies concentrate on financial and tax facts to get a "yes" out of the potential buyer of a big policy and is designed as a follow-up to the 1954 course.

The teaching technique is a study of case histories. Curriculum sounds like a collection of mystery stories with daily studies titled "the case of good property, the case of the successful agent, the case of the prosperous prospect, and the case of the successful sale."

Students consider a fresh sales situation each day. They work up their ideas the previous evening and discuss and analyze their methods during the day. To help them in their work, they receive a model proposal and they finish the week-long course with an examination of the "best sales ideas of 1955."

BRITISH AMERICAN OIL CO. issued 94,078 shares during August upon conversion of debentures. There were 9,080,535 shares outstanding at Aug. 31.

G.M. Establishes 25 Scholarships

General Motors of Canada this week established 25 university scholarships and grants for deserving students across Canada.

The GM plan is to provide unrestricted funds to selected Canadian universities and aid to promising high school graduates who might not otherwise be able to attend a university. The 25 awards are renewable annually so that when the plan reaches its fourth year there should be 100 scholarships in operation.

The GM scholarship winners will receive amounts varying between $200 and $2,000 a year, depending upon needs and circumstances. In addition their universities will be given grants-in-aid equivalent to tuition charged, with the minimum grant being $500.

This program, says GM President William A. Wecker, is designed to give young people of limited financial resources but high scholastic ability the opportunity to receive the benefits of higher education. Our business is material progress, he says, and the intellectual development that makes this possible is a policy of insurance providing for a better Canada for us all.

The awards are available to young men and young women alike and complete freedom is given the winners to decide the courses which they propose to follow in university.

$10 Mill. Sask. Issue Is Sold

MONTREAL (Staff) — Proceeds of the new issue of $10 million 3½% sinking fund debentures of the Province of Saskatchewan due Oct. 1, 1975, will be used chiefly for capital expenditures of the Saskatchewan Power Corp. This involved $9 of the $10 millions.

The remaining $1 million will be for the capital expenditures for Saskatchewan government telephones. The issue was awarded last week to a syndicate headed by Nesbitt, Thomson & Co. The debentures are being offered at $99.29 to yield 3.55%.

Last financing by the Province of Saskatchewan was in April, 1955, and involved $10 million 3¼% sinking fund debentures due May 15, 1975. The offering was at 98¾ to yield 3.33%.

Canadians Buy More New Cars

OTTAWA (Staff) — Canadians bought 10 new cars this July for every seven in July, 1954. Sales of new passenger cars totaled an even 40,000 during July, a jump of 42.8% from last year's 28,018.

A DBS report indicates that motorists are also buying more expensive cars this year. Retail value of cars sold in July was $103,680,000, up 45.1% over last July's $71,471,000. Retail value of commercial vehicles sold during the month was 57.1% higher, while the number of trucks sold was up 30.2%.

Meanwhile, preliminary production reports for August show that truck production of 5,245 was two-and-a-half times greater than a year ago, and passenger car output increased to 18,807, 65%. Combined production of cars and commercial vehicles for the first eight months was 353,461 units, somewhat more than the 1954 full-year total of 350,152 vehicles.

Bank Staff Changes

Commerce:

M. C. C. ROSS, an inspector at head office, to be assistant manager, Investment Department, Head Office, Toronto, Ont.

B. J. SHAFER, to be assistant accountant, Dundas, Ont.

F. A. E. van BOVEN, an assistant accountant, Montreal, Que., to be an assistant supervisor, Foreign Department, Head Office, Toronto, Ont.

H. E. WATERS, to be an assistant accountant, Regina, Sask.

R. J. WESSON, to be an assistant accountant, Foreign Department, Head Office, Toronto, Ont.

J. A. WHITESIDE, to be an assistant accountant, Fairbank, Toronto, Ont.

M. M. WILLISON, accountant, Belleville, Ont., to be manager, Schumacher, Ont.

HUDSON BAY SLAB ZINC 99.99+%

HUDSON BAY FOUR NINES PLUS MADE IN CANADA

A QUALITY PRODUCT WHICH MEETS THE MOST EXACTING REQUIREMENTS OF THE DIE CASTING INDUSTRY

Die casting in ZINC is a mass production method. It is fast and economical — it lends itself readily to good contemporary design and is capable of great strength and extreme precision.

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SALES OFFICE: 500 Royal Bank Building, Winnipeg, Manitoba

Light hat on a cool head... the PLAYBOY

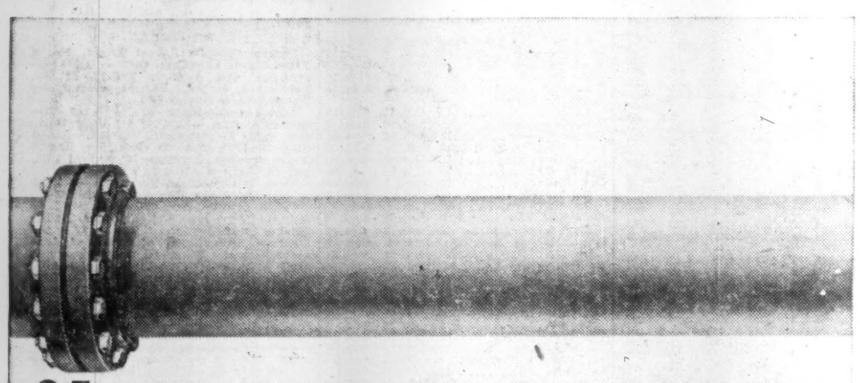
Here's a miracle of lightness and *cool* comfort—the debonair Stetson Playboy. Style features include a selv-edge set off by the narrow band and a fine choice of nature-toned colours. Like all Stetson Hats, it offers *most* in quality, style, craftsmanship and all those other things that represent VALUE.

STETSON Playboy

STETSON HATS

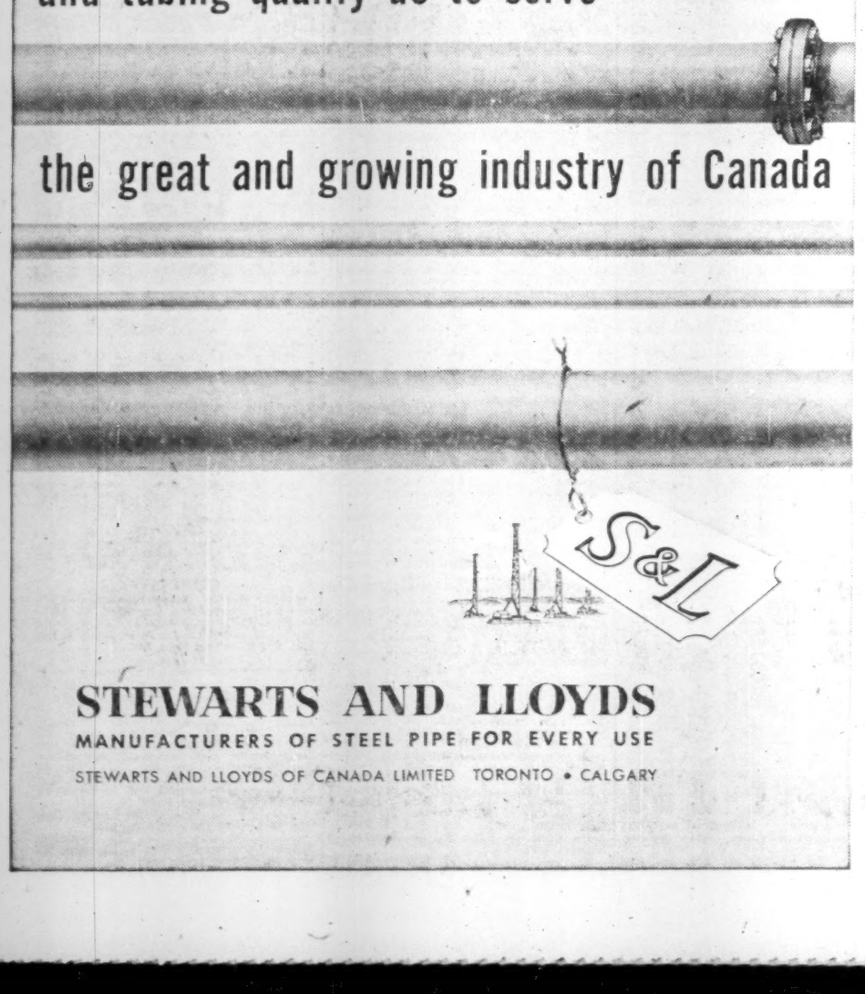
Prices $9.95, $11.95, $15. and up

AQUANIZED STETSON



95 years as a world leader in steel piping

and tubing qualify us to serve



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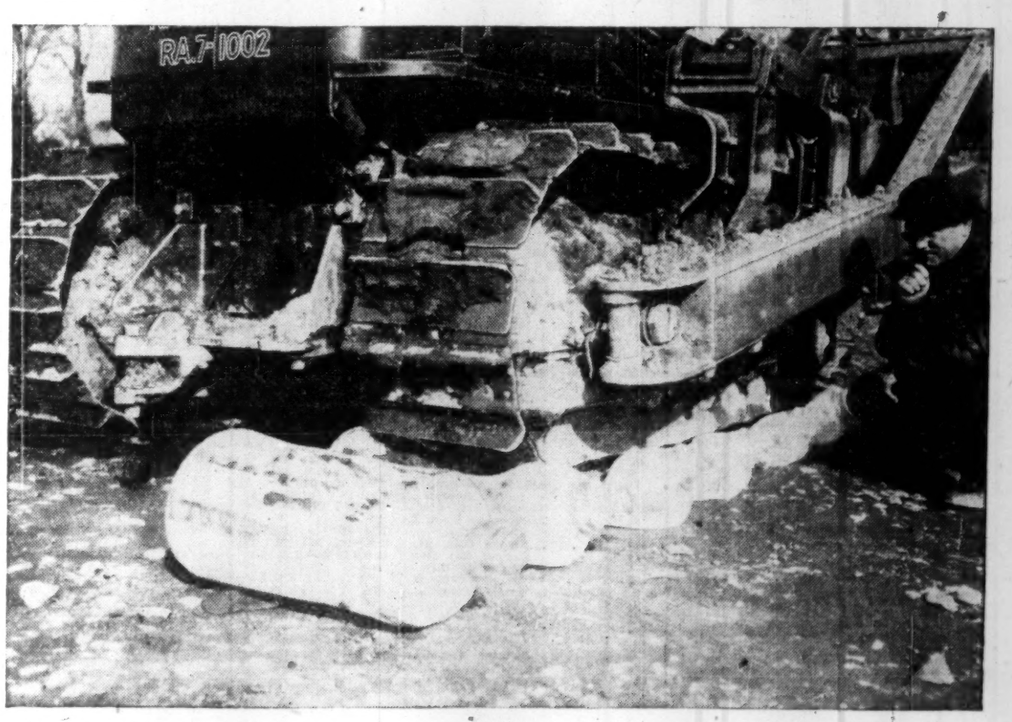
STEWARTS AND LLOYDS

MANUFACTURERS OF STEEL PIPE FOR EVERY USE

STEWARTS AND LLOYDS OF CANADA LIMITED TORONTO • CALGARY



Flexible polythene housewares do not chip, crack or break—are increasingly preferred in Canadian kitchens.

On farms, in industry and for municipal uses, flexible polythene pipe is favoured for lightness and ease of installation.

Unbreakable polythene toys last longer, are safer, colour-fast, more realistic.

lightweight carboys of

flexible **polythene**

withstand rugged punishment

Light, unbreakable polythene carboys reduce shipping charges, save costly dangerous breakages, can safely contain most corrosive chemicals, Polythene squeeze bottles, too, for toiletries and pharmaceuticals, offer utility, safety, economy and sales appeal.

POLYTHENE'S USEFUL PROPERTIES —lightness, toughness, chemical resistance and other valuable features provide the answer to many production and merchandising problems. So, consider polythene for *your* business too . . . it can mean reduced costs, increased sales, simplified production.

For further information or technical service, write to Canadian Industries (1954) Limited, P.O. Box 10, Montreal.

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plastics

SUPPLIERS OF PLASTIC RAW MATERIALS

THE WEEK'S QUOTATIONS

Quotations here listed are the official exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Montreal and Toronto Winnipeg, Calgary and Vancouver

WEEK ENDING SEPTEMBER 9, 1955

Range 1955 High	Low	Div. $	Yld R'te Sep. 9 %	Company	Sales	Last Sep. 2	Week end. Sep. 9 H	L	Close
37¼	26	1.50	4.1	Abitibi	14163	36½	37	36¼	36½
27¼	25¼	1.12½	4.2	Do. 4½% pref...	435	26½	26½	26¼	26½
16	8½	.50	3.8	Acadia Atlan. ..	1905	13	13¼	12¾	13
107	102	5.00	4.8	Do. 5% pref...	nil	..	105¾	..	105¾
25	22¾	1.20	4.8	Do. (A)	265	24½	25	24½	25
..	..	♦1.00	..	Admiral	nil	..	22	22¼	20
8¼	7½	.40	5.2	Agnew Surp.	300	7¾	7¾	7¾	7¾
10	9½	.55	5.4	Do. pref.	2	10	¶10¼	¶10¼	¶10¼
2.65	1.60	..	..	Albt. Dist.	7775	2.20	2.50	2.15	2.20
2.15	1.50	..	..	Dc V.T.	3700	1.80	1.80	1.70	1.70
92½	49	..	..	Algoma Steel	11374	79	92½	¶79½	90
27¼	26	1.00	3.8	Alum. of Can. p.	1163	27	27	26¾	26¾
109¼	96	5.25	4.9	Do. 2nd pref...	165	108	108	107	107
112	69½	♦2.20	..	Aluminium	17676	104	112	103¼	104
30	30	♦2.00	..	Amer Cyanamid	nil	..	61¼	61¼	50
8	6	♦.40	..	Andian Nat.	nil	..	6½	7	7
13¼	12½	1.15	..	Anglo Can. Oils.	nil	..	12	..	12½
				Brandon					
55¼	38½	2.00	4.0	Ang. Can. Pulp.	1124	48½	49½	42¼	49½
36½	33	2.80	5.0	Do. pref.	nil	..	55	55¼	55½
53	47	2.25	4.3	Ang. Can. Tel. p	20	52¼	52½	52¼	52½
13¾	10¼	.60	4.5	Ang. Nfld.	10060	13	13¼	12¾	13¼
11	11	..	..	Anglo-Scand. Inv	nil	..	..	..	11
25	21¼	1.20	5.2	Anthes Imp.	150	24	23	23	25
1.20	.80	..	6.7	Do. 2nd pref...	1200	1.75	.90	.90	.90
26	20¾	1.60	..	Arcan Corp.	6600	23¼	25	23¼	24½
61¼	52½	12.41	4.1	Do. 4½% pref...	425	59	60	59½	59
32½	32	♦stk	..	Aro Equip.	nil	..	..	..	32½
46¼	32¼	1.00+*.25	..	Asbestos	2388	42¼	45¼	43	44
15¼	12¼	.60	3.7	Ashdown Hd A..	25	15½	¶16¾	¶16¼	¶16¼
13	11	1.66⅔	..	Sep. Dp. (B)	50	15½	¶16¼	¶16¼	¶16¼
101	100	♦4.00	♦12.00	Assc. T&TA pf	10	..	..	..	101
20¼	13½	•	..	Atlas Steels	4705	18½	18¾	18	18½
10¼	8½	.60+*.10	..	Auto Electric ...	450	10	10¼	9½	10
11	9¼	.50	5.1	Do. (A)	nil	..	9½	10	9¾
4¾	3	•	..	Auto Fabric A....	nil	..	4.25	5.40	4.25
1.35	.80	•	..	Do. (B)	nil	..	1.30	1.40	1.30
42	36½	1.00+*.20	..	Bk. Can. Nat. ..	195	40	40	39½	39½
84½	41¾	1.20+*.20	..	Bk. Montreal	4207	49½	51¾	49½	51¾
63¼	52½	1.80+*1.30	..	Bk. N. Scotia	6500	62	61¼	60¼	61
..	..	3.20	..	Barber-Ellis	800	..	..	..	..
..	..	3.50	..	Do. 7% pfd.	nil	..	..	..	..
16	7	..	..	Barcelona	nil	..	11	11¾	12
..	..	1.00	10.0	Bates & Innes A	nil	..	11¼	11¼	10
64	58½	3.00	4.7	Bathurst Pr. A..	705	63	63½	63	63¼
53	38	1.75	..	Do. (B)	170	48	49	47¼	48
31¼	29¼	1.80	2.9	B.C. Forest	13025	31¾	31¾	31	31¾
20	15¾	.75	4.2	B.C. Packers A.	420	16	18	18	18
18	12	♦1.00	..	Do. (B)	200	16½	16	16	16
27¾	24½	1.10	..	B.C. Power	9901	34	34	33¾	33½
50¼	43½	2.00	4.0	B.C. Tele.	245	49½	50	49¼	49¼
8.00	70	..	..	B.C. Turf	nil	..	.89	.89	.89
19	15¼	1.50	..	Brown	4909	17	17	16¼	17
18	11	1.60	..	Bruck S. Mills A	50	14	14	13¾	14
8	6½	•	..	Do. (B)	632	5	5	5	5
47	42½	1.80	3.9	Building Prod. ..	272	47	46½	46	46
29¼	25	1.00+1.50	..	Burlington Steel	..	28¾	29¼	28	29¼
..	..	Burnett Ltd.	nil	..	..	..	..	..	..
14	11	3.00+.50	..	Burns & Co. A..	1863	12¾	13	12¾	¶13
.75	.41	..	..	Do. Rts.	9377	.70	.75	.67	.70
10	7¾	.45	5.0	Burrard D.D. A..	150	9¼	9	9	9
8	8	•	..	Butterfly Hos. ..	150	4.00	4.90	4.90	4.90
13	13	.80	5.5	Caldwell Linen..	25	13	¶14¼	¶14¼	¶14¼
23	20	1.50	6.5	Do. 1st pref....	nil	..	22¼	24¼	23
..	..	1.80	8.7	Do. 2nd pref....	nil	..	..	..	21
108	105	5.00	4.6	Calgary Pr. 5% p	nil	..	104	..	108
4¼	2¼	.10	2.4	Canada Bread ..	50	4.00	4.10	4.10	4.10
60	50½	2.50	4.2	Do. pref. B....	nil	..	54¼	..	60
43¼	34½	1.00	2.7	Canada Cement.	5643	36¼	38	36½	37¾
32¼	30	1.30	4.2	Do. pref.	475	31	31¾	31	31
23	19	1.20	..	Can. Cr. Stone..	23	12	12	12	12
23¼	20¼	1.00	4.5	C. & D. Sugar..	2175	22	22	21¼	21¾
15¼	12½	.80	..	Can. Floor B	nil	..	15¼	..	15½
13	13	.40	2.8	Can. Foils	nil	..	13¼	15	14
18	14½	.60+▲▲.02	..	Do. (A)	200	16¾	17¾	16¾	17¾
28¼	24	1.50	5.4	Can. Forg. A....	nil	..	26¾	28¼	27¾
34¼	22½	1.20	3.7	Can. Iron	2810	33¼	34¼	32¾	32¾
200	147	13.75	..	Can. Life	nil	..	187	190	186
13¼	10	.80	5.8	Can. Machine ..	1334	12¾	13¼	12¾	13¼
81	65	2.00+1.50	..	Can. Malting	430	78	76½	76	76½
16	12¼	.60	3.9	Can. Nor. Pr. ..	490	13¾	16	13¾	15¾
41	37¼	1.50	3.7	Can. Packers A.	60	41	41	41	41
37	33	1.50	4.2	Do. (B)	225	36	37	36	36
95	88¼	2.60+2.30	..	Can. Perman. ..	380	91	92	90	92
45	37½	1.00	..	Can. Steamships	377	39	36	33	34½
14	12½	.62½	4.6	Can. Vinegars ..	200	13¼	13¾	13¼	13¾
20	15½	.80+*.20	..	Can. Vinegars ..	110	20	20	20	20
..	..	..	..	Can. W. Cord A	nil	..	..	..	10
140	125	4.00	2.9	Can. W. Cable A	nil	..	135	..	140
85	65	3.00	3.6	Do. (B)	272	80	85	80	85
80	70	1.00●	1.4	Canadian Arena..	nil	..	71	..	72
8	8	•	..	Bakeries	nil	..	8	8	8
48¼	39	1.20	2.6	Can. Bk. Com..	2492	47	47¼	46¼	46¼
32½	25	1.25	4.0	Can. Breweries ..	8201	32	32	31¼	31¾
33¾	28½	1.25	3.8	Do. pref.	710	32½	33	32¼	33
34	27	1.25+*.50	..	Cdn. Bronze	350	32	32¼	32	32½
107½	105	5.00	4.7	Do. pref.	10	105	106	106	106
30	29	2.00	6.6	Cdn. Canners ..	535	29	30	29¾	30
29¼	19¼	.80+*.20	..	Cdn. Car & F'y	75	29¼	29	29	29
29¼	21	1.00	3.4	Do. pref. A	150	29	29¼	29	29¼
29	28	..	..	Do. Deposite A	nil	..	28¼	..	29
29	28¼	..	..	Do. Deposite ..	nil	..	..	29	29
25	20	1.45	..	Cdn. Celanese ..	8820	20¼	22	20¼	21¾
82¼	73½	1.75	4.7	Do. pref. $1.75	200	37	37	37	37
22¼	17¼	1.00	4.7	Cdn. $1 pref. ..	15	20¼	21¼	21¼	21¼
14¼	8½	..	..	Cdn. Chem.	4345	11¾	12	11¼	11¾
14¼	8½	•	..	Cdn. Collieries..	13045	11¼	11¾	11¼	11¾
4.25	3.05	•	..	Cdn. Convert A	nil	..	3¼	..	3¼
4	4	•	..	Do. (B)	nil	..	4¼	..	4
19¼	14½	•	..	Cdn. Cottons	23	16¼	15	15	15
13¼	8	•	..	Do. pref.	1553	8	8	8	8
27	13½	1.25	..	Cdn. Dredge	1810	24½	24¼	24	24¼
23¼	17	1.00	4.4	Cdn. Fairbanks ..	nil	..	22	25	22½
126	125½	6.00	4.8	Do. pref.	nil	..	125¼	..	125¼
4.10	1.75	•	..	Cdn. Food Prod.	180	3¼	3¼	3¼	3¼
8	4¼	..	..	Do. A	110	7	7	7	7
65	33½	•	..	Do. pref.	50	54	52	52	52
1050	675	34.00+2.00	..	Cdn. Gen. Elec.	nil	..	730	1370	¶1000
34½	30½	1.10+2.18	..	Cdn. G. Ins.	50	33¼	34	34	34
430	141½	♦15.00	..	Cdn. G. Sec. A..	255	410	430	410	430
..	..	♦15.00	..	Do. (B)	nil	..	102	..	112
9	7¾	..	..	Cdn Hydro-Card	1396	7¾	8¼	8	8¼
6¾	4½	1.10	..	Cdn. Ice Mach..	nil	..	6	7	6
13¼	12	.80	6.0	Do. (A)	nil	..	13¼	..	13¼
284	194½	7.35	..	Cdn. Indus.	4277	24¼	26¼	25	25¾
99	92	3.75	3.9	Cdn. prof. (1954	nil	..	95	96	95
85	70	13.00	..	Cdn. Ingersoll R	235	85	85	85	85
17¾	13	1.50	..	Cdn. Int. I. Tr.	127	17¼	17¼	15	17¼
97¼	95	5.00	5.2	Do. pref.	3	97¼	97	97	97
81	18	•	..	Cdn. Locomo. ..	25	25	25	25	25
7¾	6	2.06	..	Cdn. Marconi ..	15505	6¾	7¼	6¾	7
2.70	1.60	..	2.6	Cdn. Oil	5360	2.5	2¾	2¾	2.5¼
106¼	105	5.00	4.7	Do. 5% pref....	10	106¼	106	106	106
177	167¼	8.00	4.4	Do. 8% pref....	nil	..	175	185	¶180
100	90	4.00	4.0	Do. 4% pref....	nil	..	99¼	99¼	99¼
12	3	..	..	Do. Warr.	1805	9¼	10	9	10
28¼	11.50	..	..	Cdn. Pacific	24578	33¼	34¼	33¼	34¼
28¼	17¼	..	..	Cdn. Petrofina p	16963	25¼	26¼	25¼	26¼
9	6	..	..	Cdn. Pr & P Sec	25	7¼	7¼	7¼	7¼
1.00	75	..	..	Cdn. Propane ..	nil	..	99	93	90
13¼	11¼	..	..	Cdn. Salt	nil	..	16	..	15
10	8	•	..	Cdn. Silk A	nil	..	8	..	8
97	69	4.60+2.10	..	Cdn. Tire	15	97	97	97	97
21	20½	1.00	4.8	Do. pref.	nil	..	20¼	..	21
108¼	102	15.00	4.7	Cdn. Utilities. p	15	106	106¼	106¼	106¼
41¼	24¼	1.50	4.1	Cdn. Vickers ..	1700	35¼	37¼	35¼	36½
13¾	11	♦.25	..	Cdn. Wallpap. A	nil	..	..	..	13
14	9½	♦.25	..	Do. (B)	nil	..	9	11	11¼
19	12½	..	..	Cdn. Lumber ..	265	15¼	17	17	17
19¼	18	..	..	Cdn. West Gas p	50	19½	19	19	19
70	55	2.00	3.3	C. Westinghouse	742	55¼	60	55¼	59¼
8.65	4.75	♦.15	..	Capital Estates ..	2200	5.00	5.65	5.65	5.65
.85	.50	..	..	Carling Br. Alta.	nil	..	.76	.85	.85
.80	.80	..	..	Do. V.T.	nil	..	..	..	.85
16¼	11	60+1.30	..	Carter, J. B. A..	nil	..	..	14	14
17	16	11.00	..	Do. (B)	nil	..	12	..	17
29	25	.50+2.15	..	Catelli Food A ..	15	29	29	27	27
40	38	1.00+2.15	..	Do. (B)	10	40	¶37¼	37	37
231	221	♦4.37½	..	Celanese Corp...	nil	..	..	..	221
14¼	11	1.00	7.4	Celtic Knit	nil	..	13½	15	13½
27	16¼	1.70+*.10	..	Cent. C. Invest..	nil	..	26½	..	27
102	100	5.00	5.0	Do. pref.	nil	..	100¼	..	102
4¼	2¼	.25	..	Cent. Nor. Air A	nil	..	4¼	5	4¼
2¼	2	..	..	Do. (B)	nil	..	2	..	2
85	47	1.20+*.05	..	Chaput, Trust	nil	..	55¼	59	55
6¾	4½	..	..	Chateo Steel	nil	..	..	..	5
7¾	5½	.50	7.4	Do. pref.	100	7¼	6¾	6¾	6¾
20	14½	1.00	5.6	Chateau Gai	210	18	18	18	18
90	65	♦2.25	..	Chrysler Corp. ..	105	86	86½	86	86
55	55	4½d	8.2	Cinzano A	nil	..	60	..	55
..	51¾	•	..	Do. 3½% pref....	nil	..	..	..	175
3	3	•	..	Circle Bar Knit..	nil	..	..	..	3
8	5	•	..	Do. (A)	55	5½	7¼	7¼	7¼
4.00	3.60	•	..	Claude Neon A..	110	3.70	3.80	3.80	3.80
3.75	3.35	•	..	Do. (B)	nil	..	3.70	3.80	3.75
80	58½	•	..	Do. pref.	nil	..	70	74	73
18½	15	..	..	Cochrane-D	200	17	17	17	18
20	17½	.80	4.3	Do. pref.	nil	..	18¼	20	18½
10¾	7½	•	..	Cockshutt Farm.	2520	8½	8¾	8½	8½
17¾	15	1.00+*.20	..	Coghlin, B. J. ..	175	17½	17	17	17
12½	12½	1.50+.50	..	Coll. Terminal ..	nil	..	12¼	..	12½
12½	12½	1.50+.50	..	Do. pref.	nil	..	12¼	..	12½
10½	9	1.12½	..	Comb. Enter.	1275	9½	10½	9½	10½
11¾	8½	2.75	..	Conduits Nat. ..	1070	11	11¾	11	11¾
260	143	1.50	7.9	Conf. Life	320	195	2161	190	190
12¼	7	♦.75	..	Cons. Bakeries ..	225	10¼	11	10¼	10½
1.15	.75	..	..	Cons. Div. Sec. A	131	90	1.05	.90	1.05
31	25	1.50	4.8	Do. pref.	nil	..	31¼	..	31
..	..	..	..	Cons. Fire Ins. ..	nil	..	5¼	..	4
41	34½	1.50+.25	..	Cons. Paper	8804	38¼	40	38¼	39¼
4.05	1.95	•	..	Cons. Press A ..	nil	..	2.30	1.60	2.50
1¼	1	•	..	Do. B	nil	..	1.00	1.50	1.00
40	29	.80+2.75	..	Cons. Smelt.	14425	38¼	39	35¾	38¼
10¼	6¾	•	..	Cons. Textiles ..	600	7	7	7	7
21¾	21	1.00	4.7	Do. pref.	nil	..	..	..	21¾
24¾	20	.80	3.3	Consumers' Gas .	2480	23¼	24¼	23¼	24
31	26½	1.50	4.8	Consum. Glass ..	55	30¼	31	30¼	31
85	72½	♦2.25	..	Contin. Can	775	76	76¾	77½	85
19¼	16½	.80	5.0	Corby's A	2621	17¼	17¾	17¼	18¾
17¾	16	1.50	..	Do. (B)	625	17	17¼	16¾	16¾
13¾	11	.70	5.4	Cosmos Imp.	475	13	13¼	13¼	13¾
5¼	4¼	.30	6.0	Craig Bit	100	4.90	5.00	5.00	5.00
18¾	16	.60	3.3	Crain, R. L.	135	9	.50	4.8	Maple Leaf M...	1413	12	11¼	10¼	10¾
28	24	..	..	Cres. Cream, pf.	nil	..	28	28	28
48	44½	2.00	4.3	Crown Cork	75	46	46	45	46
11¾	10½	.80	1.9	Crown Trust	362	31	31¼	31	31¼
83¼	51½	♦2.10●	..	Crown Zeller	708	53	57	54½	56
38¾	28	1.50	4.4	Interior Brew B.	nil	..	..	..	38¾
8	3	.15	..	Inter. Bronze	600	7	7¼	7	7¼
22	16	1.50	6.8	Do. pref.	75	22	22	22	22
27¼	23½	1.60+*.40	..	Int. Metal Ind. A	300	36	37½	37	37
103¾	101¼	4.50	4.4	Do. pref.	nil	..	102	..	101¾
27	20½	.80	3.4	Int. Mill. pref. ..	5	90½	92	..	92
86½	55	1.75+*.90	..	Inter. Nickel	13032	84¼	85¾	83¾	84¾
136¾	133	♦7	..	Do. pref.	50	136	136¾	¶136¾	136¾
7	6½	♦7	..	Do. $5 pref. ...	nil	..	61	..	7
12	10	.25	..	Inter. Paints A .	nil	..	24	..	24
25	24	1.20+.25	..	Do. pref.	nil	..	24	..	24
112	80	♦.60	..	Int. Paper	736	109	109	108	108
100½	100	♦4.00	..	Do. pref.	nil	..	..	..	100
29¼	24	1.85	..	Int. Pete.	2696	25¼	26	25¼	25¾
250	124	2.40	1.0	Int. Power	20	240	239	235	235
44¼	33½	1.20	..	Int. Util.	1480	38½	41	39	41
42	33½	1.40	..	Do. pref.	1060	39	40¼	39	40½
17¼	12½	.80	4.25	Interp. Bld. Cr..	265	16¼	17	16	16¾
30¼	25½	.70	..	Interp. Pipe	6921	27¼	28	27¼	27¾
13¼	9	..	..	Interp. Util.	465	13	13	12¾	13
43	33	11.55	..	Invest. Founda..	nil	..	40	..	39
60	54	3.00	5.1	Do. pref.	nil	..	60	..	59
30½	17	11.37½	..	Jam. Pub. Ser...	25	24½	24	24	24
106	104	7.00	6.6	Do. pref.	nil	..	106¼	..	105½
87	86	♦3.00	♦1.25	Johns-Man.	15	87	85	85	85½
12½	10¼	1.15	..	Johnston Term..	nil	..	11¼	11¾	11¾
19	16	.80	1.20	Journal Pub. ...	nil	..	16¾	..	18½
23	16½	1.87½	..	Kelvinator	310	17	17	16¼	17
29	29	..	..	La Comp. Fon. ..	nil	..	..	..	29
5	2¼	1.00	4.6	Labatt, John	1240	24½	25	24¼	24¾
155	144	7.00	4.7	Lake of Woods p	nil	..	142½	163	150
14	11½	.60	5.2	Lambert, Alf. A	nil	..	11¾	..	11½
4	2	.20	5.2	Do. (B)	nil	..	..	20	20
11	7	•	..	Lang, J. A.	3	13¼	12¾	12¾	12¾
37	36	3.60	..	Langley's pref. .	37	36	36	36	36
..	..	..	..	Latonia	nil	..	19	20¼	18½
22½	17½	.80	*.10	Laura Secord	160	20	¶20¼	20	20¾
13¾	11½	.60	4.8	Laur. Accept. A..	1130	12½	12¾	12¼	12¾
26	20	.60	2.9	Do. (B)	100	21	20	20	20
2.75	1.80	..	..	Do. Wts.	nil	..	1.50	1.85	1.95
24	21	S.k.	..	Law'n & Johes A	nil	..	20	22¼	21¼
22	20	1.00	..	Do. B	nil	..	20¼	..	20
28	25	3.98	..	Legare, pref.	nil	..	28	..	28
10	8	.60	6.7	Lewis Bros.	nil	..	9	10	9
35	35	..	..	Lindsay, C. W. ..	nil	..	35	..	35
150	150	..	..	Do. pref.	nil	..	150	..	150
45¾	41½	1.50	3.4	Loblaw A	476	44¼	44	44	44
95	66	1.50	1.7	Do. pref.	406	92½	90	91¾	90
84	58	♦1.50	♦2.25	Loblaw Inc.	276	77	84	77¼	83¾
105	105	4.00	♦1.00	Loew's Theat. ..	nil	..	101	..	105
7¾	5	♦.18	..	Lón. Can. Invest.	nil	..	7	..	7
1.25	.50	..	..	Lon. Hose	65	1.25	1.25	1.25	1.25
3	3	.80	.20	Do. (A)	50	8	8	8	8
28	18	1.00	2.7	Lower St. Law. p	1785	27	27	26¼	27
28	19	1.00	4.3	Lowneys	125	26¼	23¼	23¼	23¼
5.25	4.85	.24	♦.03	Lucky Lager	625	5.20	5.20	5.15	5.15
11	8½	.50	..	Mackin Steel	nil	..	..	44	43
98¾	98	5.00	5.1	Do. pref.	nil	..	93	..	98¾
88	68	2.00	1.00	McLaren Pr.	277	83	86	85	86
41	28	.50	..	MacMil & Blo. A	100	40	41	41	41
46¼	26	.80	1.20	Do. (B)	5009	42¼	43¼	42¼	43¼
23	22	1.20	5.2	Maltman Corp. ..	50	20	23¼	23¼	23¼
90	89	6.00	5.2	Do. pref.	nil	..	97	97	97
234	77	1.00	4.3	Do. C. pref. ...	nil	..	24	24	23
6	6	40	6.7	Man & Sask A ..	nil	..	5	6	6
1054	100	6.00	♦▲▲3.00	Man. Sug. pf ...	nil	..	106	106	105¼
25	20	1.00	♦1.20	M. L. Gardens...	nil	..	22¼	24½	22
13	9	.50	4.6	Maple Leaf M...	1413	12	11¼	10¼	10¾
104	100	5.00	4.8	Do. pref.	60	103	104	103	104
17¾	9	.60	5.6	Massey-Harris	24660	10¾	11¼	10¼	10¾
115	100½	4.50	4.1	Do. 4½% pf. ...	615	109¼	111¼	109½	110¼
61	3	1.25	..	Maxwell Ltd.	nil	..	6	6'	6

Where there have been no transactions during the week covered, the word "nil" is shown under sales and the quotations shown are the bid, ask and last sale price, instead of high, low and close.

Range 1955 High	Low	Div. $	Yld R'te Sep. 9 %	Company	Sales	Last Sep. 2	Week end. Sep. 9 H	L	Close
11	10¼	1.00	8.3	McBrine, pref. ..	nil	..	12	13	¶12
17¾	15½	.60	3.3	McCabe A	nil	..	17¼	17	¶18
18½	15½	.60	3.3	Do. B	nil	..	18	..	18½
46½	33	2.90	..	McColl Fron.	2638	45	46	44½	45¾
102½	100	4.00	3.9	Do. pref.	120	100½	102	100¼	102
5	4	..	..	Melchers	nil	..	5.25	5.25	5
12½	10	.60+2.10	..	Do. pref.	50	10½	12	11	12
1.50	.30	..	..	Mercury-Chip	402	.55	.60	.50	.55
200	131	11.00	..	Metson Paper	20	190	200	200	200
19	9½	1.37½	▪

Mine and Oil Stocks

Range 1955 High	Range 1955 Low	Div. Rate $	Company	Sales	Last Sale 2	Week Ending September 9 High	Week Ending September 9 Low	Week Ending September 9 Close
18.25	11.50	1.25	Granby	550	17.75	18.00	17.87½	18.00
.28	.13	...	Grandines	222,950	.20½	.28	.21	.27
.47	.40	1.02½	Grandoro	nil	.43	.43	.47	.43
8.40	4.25	...	Grandue	10,965	7.90	8.00	7.70	7.80
.40	.24	...	Grandview	700	1.20	.24	.24	.24
.04	.03	...	Great Falls	nil	...	.02	.03	.03
.78	.17	...	Gui-Por Ur.	3,000	.18	.18	.18	.18
2.44	.90	...	Gulch	286,750	1.39	1.95	1.34	1.75
.40	.07½	...	Gulf Lead	33,360	.17	.20	.16	.18
19.87½	9.75	...	Gunnar G.	10,180	14.87½	15.12½	14.75	15.00
11.12½	3.60	...	Do. warr.	9,680	6.65	7.00	6.50	6.75
.36	.09	...	Gwillim L.	57,700	.18	.18½	.14	.14
3.40	3.00	.20	Hallnor	nil	...	3.25	3.95	3.25
.12½	.05	...	Hamil	nil	...	.05½	.06	.06
.22	.10½	...	Hard Rock	7,050	.17	.17	.15½	.16½
4.12	.28	...	Harr. Min.	17,360	.72	.72	.65	.68
.29	.17	...	Hasaga	4,000	.23	.24	.21½	.22
.23½	.12½	...	H'd of Lakes	2,000	.14½	.14½	.14	.14½
3.20	.20	...	Headway	33,501	1.68	1.14	1.05	1.06
.15	.07½	...	Heath	26,500	.08½	.10	.08½	.10
.09	.04	...	Heva G.M.	5,000	.06½	.06	.06	.06
.85	.42	...	High.-Bell	2,500	.70	.72	.70	.70
25.00	15.25	.24	Hollinger	6,539	22.87½	23.25	22.75	22.37½
.28	.14	...	Homer Y'ke	260,611	.16	.18½	.15	.18
8.30	2.60	...	Hoyle	41,010	7.70	8.30	7.50	8.25
70.00	51.25	4.00	Hudson Bay	5,488	68.50	69.87½	68.50	69.00
.19	.05½	...	Hudson R.	2,500	.12	.12	.09	.10
.32	.20	0.02	Hugh Pam.	3,000	.27	.28	.25	.28
.31	.20	...	Imperial	nil	...	...	.15	.15
.10	.04½	...	Indian L.	3,500	.08	.08½	.08	.08
.11½	.03	...	Indian M.	5,500	.06½	.06	.06	.06
2.85	1.35	...	Inspiration	30,100	1.40	1.70	1.38	1.56
86.25	55.00	1.10	Int. Nickel	13,632	84.25	85.37½	83.75	84.00
		1.90						
		0.02						
138.50	133.00	7	Do. pfd.	50	136.00	136.87½	136.50	136.50
7.00	6.12½	0.75	Do. $5 pfd.	nil	...	...	.06½	7.00
2.25	1.50	...	Int. Ranwick	21,870	1.75	1.90	1.60	1.80
3.05	1.95	...	Iron Bay	42,000	2.25	3.05	2.20	2.80
.01	.00½	...	Island Lake	nil	...	.00½	.02½	.00½
.70	.32	...	Iso. Uran.	11,600	.32	.36	.32	.32
.68	.02½	...	Jack Lake	55,000	.06	.06	.06	.06½
.26	.10	0.01	Jack Waite	1,500	.15	.16	.16	.16
		0.00½						
.48	.35	...	Jackson Bas.	45,800	.42	.43	.40	.42
.72	.50	...	Jacobus	102,950	.53	.60	.50	.52
.67	.07	...	Jaculet	286,812	.51½	.68	.51	.62
.37	.20	...	Jardun	14,000	.28	.32	.32	.32
.76	.34	...	Jayex	5,750	.35	.41	.40	.41
.70	.38	...	Jeanette	10,919	.41	.45	.38	.40
.22	.22	...	Jeep	nil	...	...	...	.22
.17	.08	...	Jellicoe	25,400	.10	.09½	.09	.09½
.32	.09½	...	Joburke	29,290	.28½	.32	.22½	.23
1.75	1.25	...	Joliet Que.	276,550	.76	.95	.70	.85
.59	.32	...	Jonsmith	54,700	.66	.65	.45	0.47½
.12	.04	...	Kemnaro	13,000	.09	.09	.08	.08
.20	.05½	...	Kenville	3,500	.11	.11½	.11	.11
18.75	15.87½	.80	K.-Addison	6,970	17.75	18.75	17.50	18.75
.60	.26	...	Kerr Lake	3,250	.34	.60	.35	.55
.23	.10	...	Keyboycon	25,500	.12	.12½	.12	.12
.85	.61½	...	Keymet	3,500	.70	.75	.70	.70
.50	.33	...	Kirk. H. Bay	3,125	.36	.37	.36	.36
.53	.33	...	Kirk. Lake	5,150	.38	.40	.38	0.40
.17	.12	...	Kirk. Town.	2,500	.13	.13	.13	.15
.53	.09½	...	Kontiki Ld.	77,600	.42	.45	.40	.43
.04	.02	...	Koot. Base.	nil	...	.02½	0.03½	0.02½
.32	.13	...	Kristina Cop.	30,800	.18	.19	.16	.17
19.00	8.15	...	Labrador	1,959	17.00	17.50	17.00	17.00
2.95	1.10	...	Lake Cinch	2,500	2.25	2.20	2.05	2.15
2.85	.75	0.02	L. Dufault	257,409	2.17	2.85	2.15	2.75
.35	.13	...	L. Lingman	14,200	.14½	.18	.14	.15
.45	.22½	...	Lake Osu	26,550	.34	.37	.33	.34
6.35	5.15	0.10	Lake Shore	3,750	5.40	5.60	5.40	5.40
.27	.20	...	Lake Wasa	500	.25	.24½	.24½	0.24½
2.90	1.75	0.10	La Luz	3,400	2.65	2.99	2.45	2.75
4.35	3.20	1.25	Lamaque G.	1,335	3.90	3.90	3.85	3.85
.12½	.05½	...	Lavalie	5,500	.08	.08	.07½	.07½
.86	.60	1.06	Leitch Gold	17,900	.81	.85	.81	.85
.25	.08½	...	Lencourt	7,500	.12½	.12½	.12	.13
1.10	.15	...	Lexindin	21,100	.36	.44½	.40	.40
.24½	.05½	...	Lingside	293,600	.21	.24½	.21	.24
1.75	.61	...	Little L.L.	12,800	1.55	1.55	1.40	1.40
.15	.04	...	Lomega	29,232	.06½	.08	.06½	.07
5.15	1.45	...	Lorado Ur.	164,550	2.16	2.43	2.45	2.20
.65	.15½	...	Louvicourt	48,000	.33	.35	.33	.34
3.20	.60	...	Lyndhurst	125,663	2.24	2.58	2.13	2.25
.10	.07	...	Lynx Yk.	1,100	.08½	.08½	.06½	.08½
2.15	1.60	1.09	Macassa	17,100	2.00	2.10	1.90	2.00
1.25	.56	...	MacDonald	113,600	1.05	1.17	1.03	1.14
.22	.12	...	Macfie	2,500	.19	.16½	.16½	.18½
1.06	.39	...	Mackeno	618,552	.63½	.70	.66	.69
1.84	1.36	1.05	MacLeod	6,525	1.55	1.56	1.50	1.51
2.60	1.60	1.05	Mad. R.L.	25,350	2.47	2.65	2.53	2.45
		0.02						
.25	.08	...	Magnet	51,540	.12	.15	.11	.14½
2.25	1.62	1.05	Malartic G.	17,225	2.10	2.15	2.10	2.10
...	...	...	Mandality	nil	...	.09½	...	.09½
1.06	.27	...	Maneast Ur.	8,900	.29	.36	.35	.35
.18	.08	...	Maralgo	nil	...	.10	.11	.11
.15	.07	...	Marcus Gold	8,500	.12	.12	.12	.12
2.95	.76	...	Maritime	15,600	2.25	2.55	2.20	2.24
1.60	.20	...	Do. A warr.	4,150	.47	.55	.45	.45
1.60	.20	...	Do. B warr.	1,800	.77	.77	.70	.70
.42	.06½	...	Martin McN.	402,500	.16	.24½	.14½	.19½
1.30	.14	...	Matachewan	9,000	1.15	1.10	.95	1.00
2.00	.09½	...	Matpenn	216,864	1.64	1.85	1.50	1.84
90.00	67.25	2.00	McIntyre	1,590	83.75	84.00	81.00	82.50
		11.00						
.50	.31½	...	McK. R.L.	7,800	.45	.46½	.45	.46½
.60	.11	...	McMarmac	35,480	.20	.20½	.19	.19
.60	.12	...	McWatters	46,800	.35	.44	.34	.43
1.75	.90	...	Mentor Exp.	84,455	1.10	1.70	.94	1.65
2.50	.44	...	Merrill Is.	467,100	2.15	2.50	2.15	2.47
1.42	.48	...	Meta. Ur.	81,400	.51	.84	.50	.55½
1.45	.50	...	Mindamar	26,800	.63	.65	.50	.52
25.50	16.75	1.50	Ming. Corp.	2,420	25.00	25.50	24.75	24.75
1.05	.41	...	Mogador	24,700	.47	.42	.45	.80
3.60	2.25	...	Mogul	84,215	3.05	3.60	2.50	3.30
2.70	.80	...	Moiyb'nite	17,700	1.65	2.63	1.70	1.85
1.25	.47	0.05	Moneta	7,600	1.04	1.04	1.01	1.01
2.50	.35	...	Montary	200	1.65	2.50	2.50	2.50
.09	.03	...	Montpas	nil	...	.08	.07	0.07½
2.75	.40	...	Multi-Min	36,500	2.30	2.35	2.25	2.30
2.78	.80	...	Nama Creek	66,500	1.80	2.10	1.75	1.90
2.72	.72	...	Nat. Ex.	58,750	.99	1.12	1.00	1.10
.34	.18	...	Nello Min.	7,500	.24	.22½	.22½	.22½
2.84	1.25	...	Nesbitt L.	16,170	1.55	1.60	1.45	1.50
.69	.11	...	N. Aiger	38,800	.25	.27	.25	.25
1.80	.42	...	N. Athona	39,353	1.03	1.15	1.00	1.08
.43	.21	...	New Bidi'e	208,250	.28	.36	.27	.32
1.45	.56	...	N.*Calumet	36,150	1.11	1.18	1.09	1.10
1.34	1.00	...	N. Delhi	17,100	1.03	1.07	1.01	1.01
2.70	2.00	1.05	N. Dick'n	2,870	2.20	2.20	2.15	2.15
.11	.05½	...	N. Formague	nil	...	.07½	.08	.08
.72	.25	...	N. Fortune	24,350	.31	.42	.30	.42
.67	.07	...	N. G'dvue	38,300	.25	.25	.21	.24
.42	.24	...	N. Har'na	33,962	.32½	.36	.32	.34
1.12	.15	...	N. H'ridge	560,665	.68	.88	.69	.82
.68	.21½	...	N. Hosco	18,250	.25½	.28	.24	.24
.14½	.05½	...	N. Jason	6,000	.09	.09	0.06½	0.06½
.50	.33	...	N. Keiko	29,800	.31	.36	.30	.36
.53	.33	...	N. Kirk. Lake	5,150	.38	.40	.38	0.40
.17	.12	...	N. Kirk. Town	2,500	.13	.13	.13	.15
.70	.39	...	Nordcast	77,600	.42	.45	.40	.43
.70	.12	...	Newlund	206,696	.65	.67	.57½	.62
.28	.09	...	N. Marion	90,000	.10	.12	.09	.09
.40	.20	...	N. Minda-S	7,450	.21	.31	.20	.20
.40	.18	...	N. M'l'que	34,750	.19	.25	.18	.18
.80	.67½	...	Newnorth	58,121	.74½	.77	.75	.75
.08½	.04	...	N. Norzone	200,200	.06	.08	.06	.07
2.50	.79	...	N. Pac. Coal	57,975	2.03	2.15	2.05	2.05
.20	.05½	...	N. Rouyn	103,350	.14	.19	.14	.18
2.13	1.97	...	N. Royran	167,800	2.10	2.12	1.97	2.03
.17½	.07½	...	N. Ryan	264,880	.12	.17½	.12	.15
.17	.03	...	N. Santiago	83,600	.12	.17	.12	.13
.18½	.10	...	N. Senator	10,700	.10	.11	.10	.10
.65	.15	...	N. Taku	20,300	.47	.65	.51	.54
.45	.22	...	N. Thurbois	37,625	.29	.40	.26	0.26
.24	.03	...	N. Vinray	11,000	.17	.17	.15	.15
.10½	.05	...	Nib Y'ke	3,000	.08½	.08	.08	.08
1.35	1.00	...	Nickel Rim	15,774	1.12	1.15	1.06	1.10
2.10	2.00	...	Nipissing	21,500	2.85	2.90	2.75	2.87
.15½	.08	...	Nisto	21,000	.09	.12½	.09	.12
.17	.08	...	Nocano	nil	...	.13	.15	.14
.50	.35	...	Nor-Acme	1,500	.70	.65	.55	.65
62.50	46.00	1.50	Norandia	6,811	60.50	62.50	60.00	60.50
7.00	6.45	0.20	Norgold	36,200	.30	.30	.25	.25½
.16	.09	...	Norlartic	3,750	.11	.11	.10½	.10½
7.55	3.45	1.35	Normetal	13,251	7.05	7.50	6.90	7.00
.78	.20½	...	Norpax	284,199	.53	.65	.52	.60
.16	.08	...	North Inca	97,250	.12½	.13½	.12	.12
.85	.40	...	N. Rankin	2,000	.62	.60	.61	.61
.17	.08	...	N. Trinity	9,000	.09	.09½	.08½	.09
.70	.40	...	North Can.	1,000	.58	.60	.60	.60
.50	.28	...	N.W. Vent.	3,000	.35	.34½	.34	.34½
.26	.25	...	Nuclear	nil	...	...	.22½	.26
.99	.33	...	Nudulama	72,871	.63	.77	.55	.57
.49	.15	...	Obaska	18,425	.06½	.09	.08	.07
.14	.06	...	Obaska L.	1,500	.08½	.09	.08½	.09
1.65	.31½	1.02	O'Brien	18,520	.83	.85	.75	.78
.50	.09	...	Ogama Rock	21,000	.13	.12	.09	.12
1.65	.82	...	Oka	5,450	1.00	1.05	.90	.90
.60	.22	...	O'Leary	9,700	.29	.30	.28	.29
.01	.03	...	Omnitrans	54,500	.04½	.04½	.04	.04½
9.70	2.30	...	Opemiska	124,689	7.95	9.70	7.75	9.80
.24½	.15	...	Orchan	9,000	.15	.20	.16	.20
.25	.06½	...	Orenda	24,200	.17	.21	.17	.20
.85	.35	...	Osisko	17,000	.50	.57	.48½	.56
.23	.11½	...	Pack. East	78,500	.16	.18	.15	.15
.34	.22½	...	Pac. Nickel	900	.27	.28	.28	.28
			Packsack	nil	...	.01	.03½	0.01½
.72	.51	0.02	Pamcur P.	14,250	.61	.60	.57	.60
1.32	.39	...	Panel	162,000	.62	.67	.45	.47
.13	.06	...	Paramaque	15,000	.10	.11	.09½	.09½
.45	.15	...	Pariaec	26,100	.17	.19	.17	.18
3.05	.98	...	Pardee	14,427	1.20	1.25	1.15	1.15
2.90	1.55	...	Pater	12,786	1.90	2.00	1.75	1.85
7.10	5.75	1.10	Pato Cons.	864	5.95	6.10	6.10	6.00
		0.15						
.42½	.30	...	Paymaster	9,050	.35	.41½	.36	.40½
6.00	4.50	0.25	Pend Oreille	4,253	4.75	5.60	4.75	5.00
.42	.20	...	Perron Gold	1,000	.29	.30	.30	.30
0.15½	.07½	...	Persheourt	9,400	.15	.15½	.12	.15
1.39	.20	.10	Pickle Crow	10,850	1.22	1.28	1.22	1.15
2.35	1.60	1.10	Pioneer G.	1,000	1.86	1.95	1.90	1.90
.33	.11	...	Pitch Ore	166,655	.26	.27½	.23½	.25
.15	.02	...	Pitt G.	83,100	.13	.15½	.13	.13
36.00	30.25	1.00	Placer Dev.	3,663	33.87½	35.37½	34.00	35.37½
.15	.04	...	Pore Prime	nil	...	.08	.09½	.08
.72	.49	...	Powell R.	1,000	.65	.60½	.60	.60½
.10	.03½	...	Prem. Bord.	5,000	.07½	.07½	.06½	.06½
10.25	5.05	.08	Preston E.	16,650	7.25	7.25	6.70	6.90
.04	.02	...	Privateer	nil	...	.02	.02	.02
14.00	5.25	...	Pronto	5,300	9.90	9.80	9.05	9.25
8.50	2.15	...	Do. warr.	2,850	5.25	5.05	4.85	5.00
4.15	2.90	...	Prospectors	7,300	3.05	3.56	3.00	3.20
1.50	.10	...	Purdy Mica	48,500	.36	.42½	.33	.40
.28	.11	...	Quatsino	1,750	.20	.19	.18	.18
1.50	.19	...	Que. Chib.	182,500	1.25	1.30	1.15	1.37
3.10	1.10	...	Que. Cop.	18,650	2.85	3.90	3.75	3.85
.15	.08½	...	Que. Lab.	7,000	.09½	.09½	.08½	.09½
18.00	11.75	...	Que. Lith.	3,540	14.25	14.50	14.00	14.37½
1.66	.76	...	Que. Man.	10,700	1.50	1.55	1.41	1.45
4.80	3.10	...	Que. Met.	21,692	4.30	4.35	4.15	4.30
2.85	.08	...	Que. Nickel	118,095	2.30	2.60	2.30	2.51
.38	.09	...	Que. Smelt.	104,600	.31	.33	.30	.33
.16	.03	...	Que. Yk.	20,500	.10	.16	.09	.10
.26	.17	...	Queenston C.	2,626	.20	.22	.09½	.21
30.00	20.50	2.75	Quemont	3,781	27.62½	28.00	27.50	28.00
3.60	.84	...	Radiore	18,500	1.84	1.85	1.75	1.88
5.40	.75	...	Raytock	64,792	1.99	2.16	1.96	2.02
.06½	.01½	...	Red Cloud	2,000	.04½	.04½	.04½	.04½
.24½	.02½	...	Red Crest	64,750	.09	.22	.19	.21
.08½	.03	...	Red Hawk	45,000	.06½	.06½	.06½	.06½
2.30	.25	...	Reeves-McD.	2,325	1.70	2.30	1.75	2.25
.31	.04½	...	Regcourt	415,700	.23	.26	.22	.24½
2.75	1.40	2.15	Renable	100	2.80	2.65	2.65	2.65
1.07	.50	...	Rexspar	19,700	.65	.59	.50	.52
.02	.01	...	Rice Lake	nil	.01	.01½	.03	.02
1.90	1.00	...	Rix-Athabasca	21,500	1.65	1.20	1.04	1.17
.78	.19	...	Roche L.L.	21,400	.20	.22½	.20	.21½
1.25	.60	...	Rockwin	11,133	.72	.76	.70	.76
.45	.11	...	Rowan Con.	58,560	.20	.21	.20	.20
1.09	.06	...	Royran	99,732	.98	1.02	.93	1.01
.10	.03½	...	Rupaunni	224,800	.08½	.09	.07½	.08½
.19	.09	...	Ryanor	2,500	.13	.13	.12½	.12½
2.20	1.50	...	San Antonio	5,750	1.55	1.60	1.50	1.60
.35	.14	...	Sand River	5,500	.15	.16	.15	.15
...	...	...	Scotia Gold	nil	...	...	...	.01½
.11	.06	...	Shawkey '45	7,166	.09	.10	.09	.09

Range 1955 High	Range 1955 Low	Div. Rate $	Company	Sales	Last Sale 2	Week Ending September 9 High	Week Ending September 9 Low	Week Ending September 9 Close
1.60	.75	...	Sheep Creek	5,900	1.35	1.40	1.31	1.35
10.25	4.80	...	Sherritt G.	26,001	9.25	9.55	9.25	9.30
5.50	4.65	...	Sigma Mines	1,700	5.00	5.00	5.00	5.00
.30	.10½	...	Silanco	51,400	.23	.24	.20	.21
.24	.07½	...	Silbak Prem.	6,500	.22	.23	.22	.22
.19	.06	...	Silvan	3,000	.06	.07	.06½	.07
1.18	.85	...	Silver M.	92,203	1.00	1.05	.97	1.04
.40	.17	...	Silver R.	1,600	.29	.28	.25	.28
.79	.25	1.02	Silver Stand.	10,700	.48	.50	.45	.46
.63	.38	1.01½	Siscoe	8,440	.51	.52	.50	.51
.19	.03½	...	Soma Duv.	127,600	.12½	.19	.13½	.17½
.04	.01½	...	Spud Valley	2,500	.02½	.02	.02	.02
.40	.26	...	Stad'n '44	10,591	.32	.33½	.26½	.30
.68	.16	...	Standard G.	13,800	.49	.49	.46	.47
.02	.00½	...	Star Lake	nil	...	.01	.02	.02
.23½	.10½	...	Starrat O.	14,500	.20	.20	.18	.19
.31	.05½	...	Steeloy	9,600	.10½	.11	.10	.10
14.87½	7.60	...	Steep Rock	40,414	14.00	14.50	14.00	14.25
.45	.12½	...	Sturgeon R.	71,200	.28	.25½	.23	.25
.55	.17	...	Sudbury C.	46,300	.18½	.19½	.18	.18
8.20	5.10	1.12	Sullivan C.	11,585	7.00	7.00	6.75	6.85
.50	.24½	...	Sunshine	6,600	.36	.35	.34	.35
.13½	.08	...	Surf Inlet	3,000	.08	.10	.10	.10
1.90	1.50	.08	Sylvanite	10,200	1.59	1.62	1.52	1.52
.26	.07	...	Tache Lake	130,900	.22	.26	.22½	.25
.20	.07½	...	Tandem	17,200	.13	.13	.11½	.12
.46	.20	...	Taylor B.	500	.25	.26	.26	.26
.18	.09	...	Tazin	41,500	.10	.13	.09	.10
4.90	2.50	.15	T.-Hughes	9,450	2.91	3.00	2.90	2.95
2.81	.15	...	Thompson	46,375	2.01	2.04	1.75	1.99
.75	.41	...	Tiara	49,717	.60	.61	.57	.60
.40	.04½	...	Tiblemont	13,000	.20	.19	.15	.19
.39	.24	...	Tombill	8,200	.36	.38	.35	.38
1.45	1.10	1.05	Torbrit S.	8,500	1.25	1.30	1.25	1.26
.18	.08	...	Towagmac	1,500	.17½	.18	.13	.16
.48	.32	...	Trans. Res.	14,350	.37	.40	.37	.39
.88	.59	...	Travers L.L.	3,000	.70	.70	.70	.70
.30	.10	...	Trebor	26,000	.19	.18½	.17	.18
.41	.10	...	Uddlen	23,900	.27	.41	.27	.40
.33	.21½	...	Union Min.	6,635	.24½	.26	.24	.25
9.60	4.85	...	United Ash.	8,820	7.90	8.10	7.80	7.90
.9	.63	...	Un. Estella	21,210	.65	.71	.65	.68
9.00	6.50	1.30	United Keno.	2,410	7.70	8.10	7.60	8.05
.75	.28	...	Un'd Mont.	34,705	.40	.45	.40	.44
1.37	1.00	1.02½	Upper Can.	23,100	1.03	1.15	1.03	1.13
.02½	.01½	...	Utica	3,500	.02½	.02½	.02½	.02½
2.15	.51	...	Valor	15,600	.61	.62	.55	.55
.03	.01	...	Vand'a '48	1,000	.02	.02	.02	.02
.09½	.03	...	Van Roi	23,975	.08½	0.10	.06	.07
40.37½	9.87½	30	Ventures	4,064	38.87½	39.25	38.25	39.00
.72	.06½	...	Vicour	65,786	.29	.33	.28	.33
4.60	1.75	...	ViolaMac	6,650	2.95	2.90	2.70	2.75
2.05	.67	...	Virginia	4,350	1.87	1.90	1.77	1.85
17.60	1.75	1.40	Waite Am.	5,480	17.00	17.00	16.00	16.75
.58½	.23	...	Weedon Pyr.	90,400	.40	.50	.45	.46
.14	.04½	...	Wendell	30,500	.09½	.10	.09	0.09½
.84	.47	...	West. Ex.	500	.60	.60	.60	.60
.16½	.04½	...	West Mal.	64,507	.10½	.15	.08½	.10
1.00	.49	...	W. Potash	13,100	.68	.73	.68	.72
.20	.02½	...	Westville	46,000	.16	.18	.16	.18
3.60	1.90	...	Willroy	19,650	2.93	3.05	2.90	2.93
2.57	.40	1.07	Wilsey C.	89,900	.15	.19	.15	.16
.19	.16	...	Winchester	5,000	.09	.09½	.08½	.08½
.68	.51	.06	Windw'd	82,000	.59	.60	.46	.49
1.37	.20	...	Wpg. R. Tin	3,000	.03½	.03½	.03½	.03½
2.60	1.90	.12	Wright-Har.	5,185	2.00	2.07	2.00	2.07
.70	.39	...	Yale Ld.	135,500	.63	.70	.62	.62
.25	.07	...	Yellorex	3,500	.15	.15	.13	.13
2.57	.40	1.07	Yke Beast	65,610	2.20	2.47	2.19	2.40
.19	.16	...	Yukeno	9,275	.13	.14	.13	.14
.68	.51	.06	Yukon Cons.	8,500	.59	.61	.59	.61
1.37	.20	...	Zenmac	42,200	.42	.43	.39	.40
.74	.30½	...	Zulapa	nil	...	.30	.40	.35

Mining Stocks

.20	.15	0.01	Acme G&O.	9,000	.17	.19	.17	.17
1.03	.56	...	Ajax	7,200	.87	.85	.84	.85
.07½	.04	...	Albedina	6,000	.06	.07½	.07	.07½
1.23	.78	...	Albermont	41,585	.93	1.06	.95	.95
.39	.20	...	Do. warr.	2,800	.26	.28	.28	.28
.50	.28	...	Alta. P. Con.	9,504	.33½	.34	.33	.34
.05	.02½	...	Aldina	nil	...	.03	.04	.04
.44½	.22	...	Altex	7,000	.28	.28½	.22	.22
2.05	.80	...	Am. Leduc.	86,326	.90	.93	.84	.84
9.60	6.50	...	Amurex	400	7.55	7.30	7.20	7.20
.56	.55	...	Anchor	3,500	.10	.09	.09	.09
19.25	14.25	...	Anglo-Am.	3,150	12.75	12.87½	12.25	12.35
6.25	4.70	0.15	Anglo Can.	37,581	5.80	5.95	5.80	5.85
.50	0.03½	...	Apex	670,150	.17½	.20	.15½	.20
15.00	8.75	...	Bailey-Sel.	9,810	9.75	9.95	9.20	9.20
2.50	1.70	...	Banff	13,760	1.77	1.96	1.79	1.96
.05	.03½	...	Barons	nil	...	.04	.04½	.04
.32	.20	...	Basco	500	.36	.37	.37	.37
.16	.08	...	Bassaw	8,500	.12	.12	.12	.12
.21	.14

DIVIDEND NOTICES

THE CANADIAN BANK OF COMMERCE

DIVIDEND NO. 275

NOTICE is hereby given that a dividend at the rate of thirty cents per fully-paid share on the outstanding Capital Stock of this Bank has been declared for the quarter ending October 31, 1955, payable at the Bank and its branches on November 1, 1955, to shareholders of record at the close of business on September 30, 1955.

Subscribers to new shares are reminded that they will rank for this dividend only in the proportion that the amount paid upon such new shares at the record date of September 30, 1955, bears to the subscription price of $27.

By Order of the Board.

N. J. McKINNON,
General Manager.

Toronto, September 1, 1955.

THE BANK OF NOVA SCOTIA

DIVIDEND NO. 344

Notice is hereby given that a Dividend of forty-five cents per share on the paid-up Capital Stock of this Bank has been declared for the current quarter to shareholders of record of September 30th, 1955 and that the same will be payable on and after Tuesday, the first day of November, 1955, at any of the offices of the Bank in Canada.

By order of the Board.

F. W. NICKS,
General Manager.

Halifax, N.S., September 6th, 1955.

THE CALGARY & EDMONTON CORPORATION LIMITED

Notice is hereby given that a dividend of five cents per share was declared on the 6th day of September, 1955, payable on the 15th day of October, 1955, to shareholders of record at the close of business on the 16th day of September, 1955.

By Order of the Board.
Chas. E. Reece, Secretary.

Dated at Winnipeg, Manitoba, this 6th day of September, 1955.

LOWER ST. LAWRENCE POWER COMPANY

HEAD OFFICE, RIMOUSKI, P.Q. CANADA

DIVIDEND NOTICE

A semi-annual dividend of 30c per common share has been declared, payable October 1st, 1955, to Shareholders of record at the close of business, on September 7th, 1955.

By order of the Board.

P. E. GAGNON,
Secretary.

Rimouski, Que.,
September 6, 1955.

THE SHERWIN WILLIAMS COMPANY OF CANADA LIMITED

Notice is hereby given that the one hundred and seventy-seventh quarterly dividend of one and three-quarters per cent. (1¾%), being at the rate of seven per cent. (7%) per annum, for the quarter ending August, 31, 1955, on the Preferred Stock of the Company, has been declared payable October 1, 1955, to Shareholders of record the 9th day of September, 1955.

By Order of the Board

P. W. HOLLINGWORTH,
Secretary-Treasurer

Montreal, Que.
September 1, 1955.

THE B. GREENING WIRE COMPANY LIMITED

Common Dividend No. 73

NOTICE IS HEREBY GIVEN THAT at a meeting of the Directors of The B. Greening Wire Company, Limited, held in Hamilton on August 31st, 1955, a dividend of Five Cents per share on the Common Shares of the Company was declared payable October 1st, 1955, to Shareholders of record September 15th, 1955. At the same meeting an extra dividend of Five Cents per share on the Common Shares of the Company was also declared payable October 1st, 1955, to shareholders of record September 15th, 1955.

By Order of the Board.

A. M. DOUDA,
Secretary.

Hamilton, Ontario,
September 1, 1955.

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WHITE ROSE

CANADIAN OIL COMPANIES, LIMITED

PREFERRED SHARES

Notice is hereby given that a quarterly dividend of 2% has been declared on the 8% Cumulative Preference Shares of the Company payable, on the 3rd day of October, 1955 to shareholders of record at the close of business on the 15th day of September, 1955.

Notice is hereby given that a quarterly dividend of 1¼% has been declared on the 5% Cumulative Preference Shares of the Company payable on the 3rd day of October, 1955 to shareholders of record at the close of business on the 15th day of September, 1955.

Notice is hereby given that a quarterly dividend of 1¼% has been declared on the Cumulative Redeemable Preference Shares 5% Series of the Company payable on the 3rd day of October, 1955 to shareholders of record at the close of business on the 15th day of September, 1955.

Notice is hereby given that a quarterly dividend of 1% has been declared on the Cumulative Redeemable Preference Shares 4% Series of the Company payable on the 3rd day of October 1955 to shareholders of record at the close of business on the 15th day of September 1955.

COMMON SHARES

Notice is hereby given that a dividend of fifteen (15c) cents per share has been declared on the Common Shares without nominal or par value of the Company payable on the 15th day of November, 1955 to shareholders of record at the close of business on the 3rd day of October, 1955.

By Order of the Board.

DOUGLAS ROBINSON,
Secretary.

TORONTO, Canada, September 7, 1955.

CANADIAN OIL COMPANIES, LIMITED

DIVIDEND NOTICES

DOMINION CORSET COMPANY LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that a dividend of twenty cents (20c) per Share has been declared for the quarter ending September 30th, 1955, on the outstanding Common Stock of this Company, payable October 1st, 1955, to Shareholders of record September 15, 1955.

By Order of the Board.

MAURICE GODBOUT, C.A.,
Secretary-Treasurer.

The Toronto Mortgage Company

Quarterly Dividend

Notice is hereby given that a dividend of $1.25 per share, upon the paid-up Capital Stock of this Company, has been declared for the current quarter, and that the same will be payable on

1st October, 1955,

to shareholders of record on the books of the Company at the close of business 15th September, 1955.

By order of the Board.

CHARLES J. PETTIT,
Manager.

Sept. 7th, 1955.

QUEBEC TELEPHONE

RIMOUSKI, P.Q.

DIVIDEND NOTICE

The following dividends have been declared, payable October 1st, 1955, to Shareholders of record at the close of business, on September 7th, 1955:

PREFERRED STOCK

A regular quarterly dividend of 25c per share on the 5% Cumulative Sinking Fund Redeemable Preferred Shares.

CLASS "A" STOCK

A semi-annual dividend of 37c per share.

COMMON STOCK

A semi-annual dividend of 25c per common share.

By Order of the Board.

P. E. GAGNON,
Secretary.

RIMOUSKI, Que.
September 6th, 1955.

BRITISH COLUMBIA POWER CORPORATION, LIMITED

DIVIDEND No. 8

NOTICE IS HEREBY GIVEN that a dividend of thirty cents (30¢) per share on the outstanding Common Shares of the Company has been declared payable 15th October, 1955 to shareholders of record as at the close of business on 21st September, 1955.

The transfer books of the Company will not be closed.

By Order of the Board,

G. G. WOODWARD,
Assistant Secretary.

Vancouver, B.C.
1st September, 1955.

T. H. ESTABROOKS CO. LIMITED

Notice is hereby given that the quarterly dividend (26 cents per share) on the 4.16% Cumulative Redeemable Sinking Fund Preferred Shares (par value $25.00 per share) of the Company has been declared payable October 15, 1955, to shareholders of record at the close of business September 15, 1955.

By Order of the Board.

J. B. BRYDON, C.A.,
Secretary-Treasurer.

Saint John, N.B.,
1st September, 1955.

Belding-Corticelli Limited

Notice of Preferred Stock Dividend No. 163

A dividend of one and three-quarters per cent (1¾%) has been declared on the Preferred Stock of this Company, for quarter ended August 31st, 1955.

The above dividend is payable on the 1st day of October, 1955, to shareholders of record at the close of business the 16th day of September, 1955.

By Order of the Board.

D. F. POLLOCK,
Secretary-Treasurer.

FOUNDATION COMPANIES CANADA

Engineering — Construction

DIVIDEND NOTICE

Notice is hereby given that a Dividend of twenty cents ($0.20) per share for the quarter ending September 30th, 1955, has been declared on the No Par Value Common Shares of The Foundation Company of Canada Limited, payable October 21st, 1955, to Shareholders of record at the close of business on September 30th, 1955.

By Order of the Board.

J. R. MILLS,
Secretary.

Montreal, Quebec,
September 7, 1955.

The 81st consecutive

GUARANTY TRUST

Company of Canada

DIVIDEND

15¢ a share—
rate of 6% per annum
payable October 15, 1955
to shareholders of record
September 30, 1955

J. WILSON BERRY
President and General Manager

DIVIDEND NOTICES

DIVIDEND NOTICE

Switson Industries Limited

Dividend No. 10

Notice is hereby given that the regular quarterly dividend of 5c per share has been declared on the common shares of the Company to be payable on Friday, September 30th, to shareholders on record at the close of business on Friday, September 16th, 1955.

By Order of the Board.

W. T. GUNNING,
Secretary.

Welland, Ontario.
September 8, 1955.

THE WABASSO COTTON COMPANY, LIMITED

NOTICE OF DIVIDEND

A dividend for the quarter of twelve and one half cents (12½c) per share has been declared on the Capital Stock of The Wabasso Cotton Company, Limited, payable on the 1st October 1955 to shareholders of record as at close of business on the 19th September 1955.

By Order of the Board.

H. W. CAPEL,
Secretary-Treasurer.

Montreal Que.,
8th September, 1955.

HIRAM WALKER-GOODERHAM & WORTS, Limited

NOTICE OF DIVIDENDS

A quarterly dividend of 75 cents a share and an extra dividend of $1.00 a share has been declared on the outstanding no par value Common stock of this Company, payable Saturday, Oct. 15, 1955, to shareholders of record at the close of business on Friday, Sept. 23, 1955.

By Order of the Board,

A. H. STUART,
Secretary

Walkerville, Canada,
September 8, 1955.

COMMONWEALTH PETROLEUM LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of 35c per share has been declared on the outstanding no par value shares of the Company, payable on or after October 14th, 1955, to shareholders of record at the close of business September 28th, 1955.

By Order of the Board.

G. J. McKAY,
Secretary.

September 8th, 1955.

ZELLER'S LIMITED

DIVIDEND NOTICE

Notice is hereby given that the following Dividends have been declared by the Directors of Zeller's Limited for the quarter ending October 31st, 1955.

On the 4½% Preferred Shares, the regular quarterly dividend, (56¼ cents), payable November 1st, 1955, to Shareholders of Record October 1st, 1955.

On the No Par Common Shares, 22½ cents per Share, payable November 1st, 1955, to Shareholders of Record October 1st, 1955.

By Order of the Board.

T. E. McDERMOTT,
Treasurer.

Montreal,
September 8th, 1955.

MONTREAL LOCOMOTIVE WORKS, LIMITED

Dividend No. 38

A regular quarterly dividend of twenty-five cents (25c) per share on the Common Stock of this Company has been declared payable October 1st, 1955 to shareholders of record at the close of business on September 19th, 1955.

Transfer books will not be closed.

WILLIAM J. NILES,
Secretary.

September 9, 1955.

Canadian Bronze Company Limited

DIVIDEND NOTICE

The Quarterly Dividend of 1¾% on the PREFERENCE STOCK of CANADIAN BRONZE COMPANY, LIMITED, has been declared payable the 1st day of November, 1955, to Stockholders of record as of the 11th day of October, 1955.

Also a Quarterly Dividend of Thirty-one (31c) Cents per Share has been declared on the present outstanding COMMON STOCK of CANADIAN BRONZE COMPANY, LIMITED, for the three months ending October 31st, 1955. Payable the 1st day of November, 1955, to Stockholders of record as of the 11th day of October, 1955.

By Order of the Board,

W. C. PAQUETTE,
Secretary.

Montreal, P.Q.,
September 7th, 1955.

Dividend Notice

HUSKY OIL AND REFINING Ltd.

NOTICE IS HEREBY GIVEN that a dividend of One and one-half per cent, for the three months ending September 30, 1955 (being at the rate of Six per cent, per annum), has been declared on the 6% Cumulative Redeemable Preference Shares of the Company, and will be payable on and after October 1, 1955, to the holders of such 6% Cumulative Redeemable Preference Shares of record at the close of business on September 15, 1955.

By Order of the Board.

DAVID COWPER-SMITH,
Assistant Secretary.

Calgary, Alberta,
September 10, 1955.

Market Comment

What stocks and bonds are doing and what prominent observers say

New York markets again pushed to new high ground this week, but Canadian industrial groups were generally unable to make much headway.

Although investment experts are growing more cautious about making market recommendations there is probably less concern about the forward market pattern than at any time this year. The cautiousness stems more from the rarefied atmosphere of current stock levels than anything in sight that threatens to topple the market.

Junior coppers, particularly in the popular Chibougamau district, spearheaded action in the mining group this week. Opemiska, Quebec Chibougamau, Merrill Island, Copper Cliff all moved forward to new highs as this group continues to replace the still sluggish uraniums in speculators' favor.

* * *

KIPPEN & CO (Montreal)

With the New York and Canadian markets making new highs almost every week, the average investor is continually confronted with the conflict concerning whether or not he should sell part of his holdings, sit tight and let his profits run, or make new commitments in the stocks which appear to be on the threshold of increased earnings and dividends.

The Canadian and U.S. economies are experiencing an unusually high degree of prosperity, and while dividends of many of the "blue chips" may be increased during the third and fourth quarters of this year, astute investors are beginning to feel more and more that security prices are high, and that bargains are increasingly difficult to find on the board.

The average yield on a cross section of industrial stocks in Canada is now down to approximately 4.08%. Many of Canada's greatest industrial equities are yielding considerably less than this.

We believe, however, certain segments of the market will continue upward, and other segments will probably hold their present levels. Signs of deterioration to watch for in the future should include bank credit trends, which in the past, have had a very considerable effect on the direction of the stock market, and have been known to signal the reversal of almost all major trends since 1929.

Another important factor to watch in the months ahead are consumer credit trends and money rates, both of which are having a profound effect on the economies of the U.S.A. and Canada today, and, which if altered appreciably, could affect industrial earnings materially.

The market is losing its breadth in the higher grade issues both in New York and Canada, and seems to be fanning out to the more speculative issues, particularly base metal stocks. However the confidence factor is very high, as of course it must be, to maintain current trends.

Two groups in the market are attractive, namely the base metals and pulp and paper stocks. Hudson Bay Mining & Smelting, Quemont and International Nickel are likely to appreciate. Smaller but also dynamic companies, including Campbell Chibougamau and Opemiska Copper are going to show excellent earnings by the end of this year. Earnings of the well-known pulp and paper stocks are showing healthy increases. Bathurst Power & Paper and Fraser Companies seem to be doing particularly well. The oils are also interesting; B.A. Oil and McColl have made good progress this year; Royalite is an up-and-coming, and very well managed independent.

The market gives indications of moving higher during the next month or so. The present situation, however, hardly justifies aggressive buying, except in special situations. There is some reason for believing that the market may be entering a more irregular phase, with probably a greater range of fluctuation than has been the case in the past year, when prices, for the most part, were consistently rising.

* * *

J. M. EASSON; John M. Easson & Co. (Toronto)

Our firm has always emphasized the outstanding importance of minerals in the economic structure, consequently we keep a close check on the vital mineral statistics, i.e. supply and demand. The present picture indicates that copper will be in short supply for a number of months and a further, temporary, increase in its price is quite possible; the prices of lead and zinc are probably due for a modest market advance.

Over an extended period of time, copper has usually sold for a figure about equal to the combined price of lead and zinc. We believe this historic relationship will ultimately re-establish itself and that this will be due chiefly to an easing from the present record price for copper.

Transposing these conceptions into terms of metal share prices, the stock market will present opportunities to liquidate stocks on a rising scale as increased earnings are reflected in the statements of procedure.

Our whole outlook on the uranium situation rests upon the thesis that uranium in plentiful supply and cheaply produced will hasten its own more extensive use. In fact we do not think it is too far-fetched to compare the present uranium situation with the early days of oil development.

Insofar as thorium is concerned as a substitute for uranium, it is our view that the time when this metal becomes a serious factor in competition with U_3O_8 is very far indeed in the future.

It is our opinion that the shares of uranium companies with firm contracts are not overpriced, nor do we think that the possibilities of appreciation in the shares of companies with proven ore bodies are by any means exhausted.

* * *

D'ARCY M. DOHERTY; Doherty Roadhouse & Co. (Toronto)

The stock market has been going steadily upward, with only minor reactions, for the past two years. Recently the high-grade bond market has fallen off, with the result that the spread between the yields of bonds and high-grade common stocks is less than 1%. Practically all the bull market peaks in the past have been reached when the above-mentioned condition prevailed. If corporate earnings for the last quarter of 1955 are sufficient to warrant increased dividends, thereby increasing the yield spread in favor of common stocks, the market would be in a position to move higher.

On the other hand, if year-end dividend increases are insignificant, then common stocks would appear to be vulnerable. Estimated year-end earnings and the business forecasts for the first half of 1956 should soon give the investor an indication of the future course of the market.

During this period, when the balance is slightly in favor of the bears, a partial cash position as opposed to a fully invested position would seem prudent.

The above comments are applicable only to the intermediate market trend, as the five-to-ten-year outlook for sound Canadian stocks is bullish.

* * *

BARRON'S; The Trader (New York)

At around 475, the industrial average is yielding 4.02% as compared with a return of 3.15% for high-grade corporate bonds and an actuarial income basis of 2½% for pension funds. Pressure for liquidation does not exist in the above spreads. As for an advance in money rates that would choke off business expansion — municipal financing in August of $240 millions was the lowest monthly total since Nov., 1952— the administration would achieve a Pyrrhic victory if, in attempting to restrain inflationary tendencies, it brought on a business recession or depression that would throw it out of office 14 months hence.

Farm-Wilderness Uses Increase Jeep Sales

Registrations of the four-wheel-drive jeep increased by 193.8% over 1954 figures in Canada, a six-month report by Kaiser-Willys showed this week.

G. L. Lepage, Canadian sales manager, predicted that the first half sales record would be surpassed during the last half of the year and forecast even greater sales throughout 1956.

The jeep, born out of wartime necessity, is proving itself in wilderness industries and on farm projects.

DIVIDEND NOTICES

DIVIDEND NOTICE

HENDERSHOT PAPER PRODUCTS, LIMITED

The Board of Directors of Hendershot Paper Products Limited, at a meeting thereof held on September 2nd, 1955, declared a dividend of $2.50 per share on the outstanding 5% Cumulative Redeemable Preference Shares of the Company payable October 1st, 1955, to shareholders of record as at the close of business September 20th, 1955.

By Order of the Board.

E. M. McArdle,
Secretary-Treasurer.

DIVIDEND NOTICE

HENDERSHOT PAPER PRODUCTS, LIMITED

The Board of Directors of Hendershot Paper Products Limited at a meeting thereof held on September 2nd, 1955, declared a thirty - fourth quarterly dividend of 25c per share on all outstanding Common Shares of the Company, payable October 1st, 1955, to shareholders of record as at the close of business September 20th, 1955.

By Order of the Board.

E. M. McArdle,
Secretary-Treasurer.

THE HURON & ERIE MORTGAGE CORPORATION

Notice is hereby given that a Quarterly Dividend of 1¾ per cent for the current quarter ending September 30, 1955, has been declared on the paid in Capital Stock of this Corporation and will be payable at any of the Corporation's offices on the 3rd of October, 1955, to shareholders of record at the close of business on the 15th of September 1955.

By Order of the Board.

J. P. COLLYER,
Secretary.

London, Ontario, September 12, 1955.

New Highs and Lows

During the week ended Sept. 9, 46 new highs and five new lows were recorded among the general stocks on Canadian stock exchanges. In the mining group there were 36 new highs and 11 new lows. In western oils there were 13 new highs and seven new lows.

GENERAL

NEW HIGHS—1955

Algoma Steel, Aluminium, Auto Elec., B. C. Elec. 5% pf., Do. 4¼% pf., Burlington, Burns Rts., Can. Iron, Can. Nor. Pr., Can. Wire B, Cdn. Car A, Cdn. G. Sec. A, Cdn. Int. I. Tr., Con. Gas, Con. Glass, Cosmos Imp., Crown Trust, Dis-Seagram, D. Foundry pf., Easy Washing, Econ. Inv., Fam. Players, Ford A, Guaranty Tr., Imp. Oil, Loblaw Inc., MacMil & Blo A, Morgan H., Nfld. Lt. & Pwr., Noranda, Pow. Corp. 2nd pf., St. Law. Corp., Shawngn. Pr., Sicks Brew, Silverwoods B, Steel of Can., Sun. Pub., Tooke Bros., Tor. Iron, Union Gas, United Fuel pf. B, Walker-Good., W. Can. Brew., Weston, Geo., Wilson J.C., Winnipeg Gas

NEW LOWS—1955

Blue Ribbon pfd., Dom. Stores Rts., Grafton A, Mitchell R. A, Suez Con. Cap.

MINING

NEW HIGHS—1955

Aconic, Akaitcho, Amer. Neph., Belcher, Belle Chib., Bralorne, Campbell Chib., Chib. Kayrand, Cons. Red Poplar, Copper Cliff, East-Smelting, Geco, Iron Bay, Jaculet, Joburke, Kerr Addison, Kerr Lake, L. Dufault, Lingside, Merrill Isle, Mogul, Montgary, New Ryan, New Santiago, New Taku, Noranda, Obalski, Opemiska, Pershcourt, Que. Chib, Reeves MacDonald, Rexspar, Soma-Duv., Tache Lake, Uddlen, Yale

NEW LOWS—1955

Alba, Algom Warr, Avillabona, Calumet, Cons. Tung., Dyno Mines, Glenn Ur., Grandview, Jacobus, Jeanette, New Minda Scotia

OILS

NEW HIGHS—1955

Albedena, Apex, Cdn. Devonian, Dalhousie, Marvel, New Bristol, Okalta, Pathfinder, Royalite, Do. pfd., Tri-Zone, West. Leaseholds, Yankee Canuck

NEW LOWS—1955

Altex, Amer. Leduc, Anglo American, Cdn. Emjay, Cdn. Prospect, New Kirk, New World

Unlisted Mines & Oils

Approximate quotations, 3 p.m., Sept. 12, subject to confirmation and change. An asterisk (*) indicates an increase in price; a dagger (†) a decrease in price.

	Bid	Ask		Bid	Ask
Abenakis	.2	4	Mar Bird	13	15
Abeta	13	17	Maree	2	4
Advance	†22	25	Mate Yel	6	8
Alexander	6	8	McManus	2	4
Ama Kir	3	4	McCuaig	¢ 11	3
Anabar	7	10	Mid Rim	73	76
Anamaq	5	7	Milliken	*36	40
Anuwon	22	25	Miles RL	3	5
Arctic	3	5	Mindus	15	18
Beacon	6	*10	Mt Keno	3	4
Belfast	8	12	Montgr	*260	270
Blondor	1¼	3	Murmac	¼	6
Bl Grass	14	17	Nat Mal	16	18
B McDade	9	11	New Ang	5	7
Borlamaq	2	5	N Insco	18	23
Braminco	8	11	New Met	20	25
Braemac	10	13	N Rdwood	7	10
B Breest	3	5	New Wal	2¼	4
Bright RL	3	5	Nickel L	13	16
Brunette	9	11	Nickel O	60	80
Camlaren	4	6	Nipiron	25	28
Camp Is	†90	100	Norbeau	80	90
Camray	4	6	Norcourt	3	6
Can Rad	*25	30	Norford	1	3
Canalask	8	12	Normar	1	3
Canuba	140	160	Novel Pr.	12¼	4
Captain	4	6	Obsk 45	*55	57
Cn Mag	150	170	Oceanic	‡320	350
Cn Alm	34	38	Oklend	8	10
Cn Lith	†92	105	Ont. RM	15	20
Cen Man	9	11	Orchan	*21	22
Chellew	†19	22	Orofino	*12	15
Clinger	†15	18	Ortona	4	6
Clix	†15	20	Pacemkr	*36	40
Columbier	3	5	Panel	45	50
Columind	3	6	Pater	*185	195
Comstock	8	10	Pax Nw	†150	250
C Bi Ore	35	40	Payne	2	4
Con Coop	26	28	Pascalis	9	12
Conecho	15	20	Peach	†1500	1800
C Harper	5	8	Pelangio	4	6
Cordell	†15	20	Picton	17	20
Crack S	39	44	Pine P	1475	1550
Craibbe	13	15	Pitchvein	*12	15
Croydon	2	4	Plum N	100	200
Derlac	2	3	Polestar	*37	40
Destorad	†9	12	Presdor	2	4
Dom Ex	16	20	Quejo	*11¼	13
Dunvegn	†24	26	Quest	2	4
Durham	6	8	Rainville	*110	120
East Lun	5	7	Rand M	5	7
Echo Ind	3	6	Randona	*4	7
El Bonan	4	6	R Earth	225	250
Endeavor	62	67	Redbark	*23	27
Farcroft	15	—	Redcon	5	8
Fleetwd	14	18	Redrath	2	4
Forty Fr	†75	85	Rhyolite	3	5
Gan Cop	7	9	Richgroup	9	11
Gateway	13	16	Rugged	2	3
Glenbrk	15	18	Russet	5	8
Glencona	4	6	St Mary	15	18
Goldcycle	7	10	St Michl	*56	59
Goldmaq	7	8	Salmita	5	7
Gov Gold	4	6	S Dufault	8	11
Gr Chib	90	110	Sheldon	12	14
Gui Por	20	25	Snow L	6	7
Harker	3	3½	Span A	*285	300
HG Yong	†18	23	Starlight	13	16
Hornfalt	†12	15	Sunbear	2	3
Hotstone	6	8	Timagm	190	210
Hucamp	20	25	U Ridge	†40	45
Independ	*14	17	Valor	55	58
Jardun	26	27	Vaux Duf	3	3
Jerome	10	13	Viking	11	13
Kamlac	*10	11	Wadge	5	7
Ken Bay	13	16	Wesley	†15	18
Kenda P	2	4	Westall	2	4
Kenog	17	20	West RL	2¼	3½
L Nord	105	110	W Wasa	7	9
L Rong	75	90	Y David	7½	9
Larum	*20	23	**OILS**		
L Expan	13	16	Albfield	5	8
Lowr Can	2	4	Cdn Sp	1175	1225
Lun Ec	*128	135	N Ranch	6	8
Main Ok	45	55	O Smoky	10	12
Mall RL	*8	11	Paig Pete	5	10
Manecho	13	14			

Municipal Bonds

September 13, 1955

	Coup.	Matur.	Bid	Ask	Yld
	%		$	$	%
Calgary	3½	'69	98	99	3.60
Edmonton	3½	'69	95½	97½	3.73
Halifax	3½	'66	95½	97½	3.75
Hamilton	3	'67	94	95½	3.50
Montreal	3	'70	89	90½	3.85
Moose Jaw	3½	'60	98½	99½	3.60
Ottawa	3¼	'68	97½	99½	3.30
Regina	3	'64	92½	94½	3.70
S. John N.B.	3½	'65	95½	97½	3.85
Toronto	3	'68	94½	95½	3.40
Vancouver	3¼	'69	99	102	3.56
Victoria	3¼	'68	97	101	3.65
Windsor	2¼	'75	77	79	4.30
Windsor	2½	'75	73½	75½	4.30
Windsor	3½	'75	87½	89½	4.25
Winnipeg	3	'69	92½	94½	3.50

Grain Prices

Winnipeg Futures

Week to Sept. 12, 1955

Crop year from Aug 1 1955 High	Low		High for week	Low for week	Close Sept. 12
Oats—					
.75½	.71½	Oct.	.73¾	.72	.73¼
.71¾	.67¼	Dec.	.69¼	.67¼	.69¼
.71½	.67¼	May	.69½	.68	.69¼
Barley—					
1.04½	.96½	Oct.	.99¾	.98¼	.99¾
.99	.90½	Dec.	.94¾	.92¾	.94¾
.98	.80½	May	.94¼	.91½	.94
Rye—					
.92½	.84½	Oct.	.92¼	.89½	.92¼
.93¼	.85½	Dec.	.93½	.90¼	.92½
.96	.90	May	.95¼	.93½	.95¼
Flax—					
3.07½	2.83½	Oct.	3.00¼	2.84	3.00¼
2.90	2.67½	Dec.	2.85	2.70	2.81½
2.89	2.69½	May	2.86¼	2.73¼	2.85

Winnipeg Cash

	For Week Sept. 12 High	Low	Prev. week High	Low
Oats—				
2 C.W.	.79	.78½	.79¼	.78
3 C.W.	.73½	.73	.73½	.73
Barley—				
1 Feed	1.01½	.98¼	1.02¼	1.01½
2 Feed	1.00¼	.96½	1.01¼	.97½
1 Malt	1.14¼	1.13¼	1.15¼	1.14
Rye—				
2 C.W.	.91¼	.89¼	.89	.87¼
1 C.W.	.91¼	.89¼	.89	.87¼

Chicago Futures

Week to Sept. 12, 1955

Crop year from Aug 1 1955 High	Low		High for week	Low for week	Close Sept. 12
Wheat—					
2.00	1.89¼	Sept.	1.97¼	1.92¼	1.97¼
2.03¼	1.93¼	Dec.	2.00¼	1.93¼	2.00¼
2.02½	1.88¼	Mar.	2.02½	1.97¼	2.02¼
1.99½	1.96	May	1.93¼	1.93	1.98½
1.85¼	1.74½	July	1.85¼	1.80½	1.85¼
Corn—					
1.29½	1.22¼	Sept.	1.29½	1.26¼	1.27¼
1.34¾	1.22¼	Dec.	1.29	1.26½	1.27¼
1.38	1.26	May	1.32½	1.30¼	1.32
1.40¼	1.28½	May	1.35¼	1.32¼	1.34¾
....	....	July	1.36½	1.35¼	1.35¼
Oats—					
.62¾	.55¼	Sept.	.57¼	.55¼	.57
.65¼	.59¾	Dec.	.61¼	.60½	.61¼
.66¼	.62¼	Mar.	.65	.62¾	.64¼
.66½	.62¼	May	.65¼	.64½	.65¼
Rye—					
1.02½	.93¼	Sept.	.97¼	.93¼	.96¾
1.05¼	.96½	Dec.	1.01¼	.97¼	1.01¼
1.08	1.00	Mar.	1.04¼	1.01	1.04
1.10	1.01¼	May	1.06¼	1.03	1.06
Soybeans—(old contracts)					
Sept.			2.20	2.18¼	2.21¼
Nov.			2.19¾	2.17	2.18¾
Jan.			2.21¼	2.19	2.21¼
Soybeans—(new contracts)					
Sept.			2.22¼	2.19¼	2.22¼
Nov.			2.21¼	2.18¼	2.20¾
Jan.			2.24	2.20¾	2.23¼
Mar.			2.25¼	2.23	2.25¼
May			2.25¼	2.23	2.25¼

Chicago Cash

	For Week Sept. 12 High	Low	Prev. week High	Low
Corn—				
2 Yell. (new)	1.34	1.28	1.32	1.31¼
Oats—				
1 H.W.	.61	.61	.57¼	.57¼

114 Stocks Yield Averages 4.06%

The average yield on 114 dividend-paying stocks on the Toronto Stock Exchange, as compiled by Moss, Lawson & Co., on prices of Sept. 12, was 4.06%, down .02% from the previous week. The current yield compares with 4.16% one month ago and 4.82% in the corresponding week last year.

Here is the yield by the various groups:

	Sept. 12	Week Ago	Month Ago	Year Ago
	%	%	%	%
Common	3.82	3.83	3.94	4.73
Pfd. & A	4.07	4.06	4.09	4.58
Mining	4.86	4.92	4.99	5.56
Banks	2.81	2.79	2.77	3.32

Commodities

	Latest Week	Previous week	Same week last yr.
Cattle	$19.50	$19.50	$20.50
Hogs	27.50	27.50	27.00
Copper, lb.	.43	.40	.30
Sugar, raw, lb.	.0347	.0352	.0353
Coffee, lb.	.59¼	.58¼	.67
Hides	.13	.13	.14

Weekly Commodity Indices

Dow Jones	154.14	153.72	175.35
U. S. Labor	110.6	110.5	109.9

Monthly Commodity Indices

Canada (D.B.S.)

Retail (Aug.†)	116.4	116.0	117.9
W'sale (July)	218.4	218.7	217.4
C. F'm Pro (July)	209.8	212.2	219.6
U. S. (July)	110.6	110.3	110.4
Gt. Brit. (June)	336.0	332.6*	332.2

Note: (Cost-of-Living Index Revised to the Base of 1949=100.

Base of price quotations is as follows: Cattle-Steers, good up to 1,000 lb., to price Toronto, Copper-electrotypes, New York Coffee No. 4 Santos, Spot Raw Sugar 96 degrees centrifugal c.i.f.

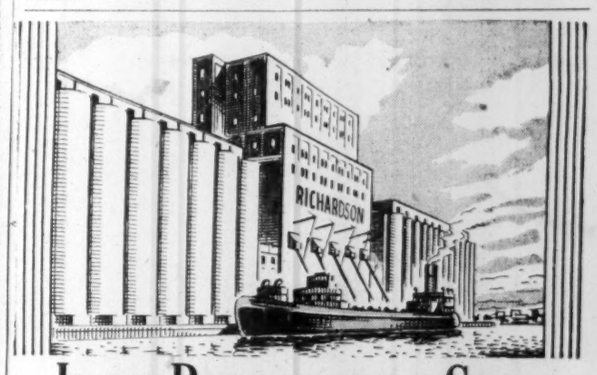
*Revised.

ANNOUNCEMENT

D. A. KEILL

The EXPORT CREDITS INSURANCE CORPORATION announces the appointment of Donald A. Keill as Toronto Branch Manager. Mr. Keill has been with the Export Credits Insurance Corporation since 1947 and for the past few years has been the Corporation's Accountant. Mr. Keill replaces Mr. Reginald G. Hunt who has been transferred to Montreal as Branch Manager in that city.

Mr. Keill was born in Ottawa and attended Carleton College. He is a member of the Canadian Credit Institute and holds the M.C.I. Degree.



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Fort William, Ont. Winnipeg, Man Montreal, P.Q.

K. A. POWELL (

ANNOUNCEMENT

DOMINION FASTENERS APPOINTMENTS

MR. E. G. BRADNER

MR. L. WILLS

Following a recent Director's meeting, Mr. George A. Tinnerman, President, Dominion Fasteners Limited, exclusive Canadian manufacturer and licensee of Tinnerman Speed Nuts, announces the appointment of Mr. E. G. (Ernie) Bradner as Vice-President and General Sales Manager, and Mr. L. (Bus) Wills as Vice-President and Secretary-Treasurer.

1955 Edition *Now Available*

WHO OWNS THE STOCK

A compilation of published information on the share ownership of more than 300 Canadian mining companies listed on the Toronto, Canadian, Vancouver and Edmonton stock exchanges. Price $3.00.

Write: Who Owns the Stock

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OUR CLIENTS WERE TOLD IN TIME!

Within the last 18 months, CAMPBELL CHIBOUGAMAU has gone from $2.70 to $16.25. NORMETALS rose from $3.00 to $7.50. OPEMISCA jumped from a low of $1.00 to a high of $9.50.

Why weren't YOU in on these? Probably for the simple reason that nobody advised you to buy them! But *our Clients were* told to buy these up-and-coming producers — told in time for the big killing, too. Recommendations were made in our Trader's Column, and also in the Investor's Page of our Weekly Bulletin — in which these issues were analysed fully.

In the Penny Stocks, COPPERMAN and many others have been big money-makers for our Clients. On Feb. 26, 1955, COPPERMAN at .12c was recommended as a likely big winner for this year. It has already advanced to .31c, and our Clients are still holding, on our advice, for bigger profits.

Underpriced Stocks come to our attention every day. We tell our Clients not only WHAT and WHEN to BUY, but also WHEN to SELL. Sound, money-making Market Advice is invaluable — yet it costs so little to become one of our Clients.

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New Beaverlodge Custom Mill Proposal May Come to Head Within Next Week

It now looks as if the long-discussed proposal for a new custom mill for the Beaverlodge area will come to a head within the next week, The Post learns.

Whether or not the custom mill idea gets the "green light" or remains in further abeyance will apparently depend in large part on the assistance and encouragement which Eldorado Mining & Refining may be able to lend to such a project.

Beaverlodge interests which have been exploring the custom mill idea are understood to be hoping that the position of Eldorado with respect to such a project will be known shortly.

As the situation appears at the moment, a custom mill sponsored by the larger Beaverlodge companies planning production is believed to stand a better chance than any of the custom mill projects entertained by U.S. interests.

If a U.S. company were to build a custom mill, a large profit would naturally be expected by the U.S. company. If Beaverlodge companies can join to build their own mill, a larger return would be available for the individual company, it is thought.

Eldorado the Key

As the sole buyer of uranium in Canada, Eldorado holds a key position as regards any new Beaverlodge custom mill. If Eldorado is prepared to greatly expand its facilities available for custom ore, the custom mill proposal might become rather academic. On the other hand, if Eldorado is receptive to the proposal, people interested in the project will want to know if they would be permitted to pay a higher price than Eldorado now pays for its custom ore.

It is reported that Eldorado makes more money on its own ore than on custom ore so that there is apparently a real chance that Eldorado might not be adverse to another Beaverlodge custom mill.

The custom-mill project, which is under very active consideration, would possess definite advantages from operators' standpoint, but some wrinkles would have to be ironed out.

Lorado, Lake Cinch, Gulch Mines, Nesbitt LaBine, Black Bay, Rix, Cayzor and St. Michael would be among possible customers for a custom plant. As Lorado ore is not amenable to treatment by the Eldorado process, an acid-leach process similar to that of Gunnar would appear probable for a custom mill. Ores from other properties would be amenable either to the acid-leach or basic leach, it is believed.

There appears no doubt that from a financial standpoint companies which have been successful in establishing new uranium ore bodies at Beaverlodge would find it easier to jointly establish a custom mill than to build individual leaching plants.

The capacity for any leach plant is still conjectural but 750 tons a day is reported the smallest capacity given consideration.

Probably the biggest advantage of a custom mill would be ability to proceed with a production plant in the very near future so that the deadline of production by Apr. 1957, would seem attainable for numerous Beaverlodge operations.

One of the things remaining to be worked out would be allotment of custom capacity to various ore shippers. Operation of any new custom mill by a quite independent local company, to secure impartiality in treatment, would probably be a "must."

Location of a mill would have to be given serious consideration bearing in mind both location of potential shippers and the possible tonnage from each property as well as relation to present facilities in the camp.

C. Denison, Bicroft Wait On Contracts

Major financing deals of both Consolidated Denison Mines and Bicroft Uranium are expected to be consummated shortly.

Both companies and their financial sponsors have been waiting receipt of the actual marketing contracts before new financing becomes an accomplished fact.

Consolidated Denison and Bicroft have each received a letter of intent so that completion of contracts is regarded as assured. However, for financing deals to become effective, the actual contracts are required.

Kennecott to Explore King Copper Closure

King Copper Mining Corp. announces that an agreement has just been signed with Kennco Explorations (Canada) Ltd., Canadian subsidiary of Kennecott Copper Corp. of the United States, for exploration and development of King Copper's 220 square mile closure in the Province of Nova Scotia.

Under terms of the agreement King Copper will receive a free net carried interest up to the first $5 millions to be expended by Kennco Explorations (Canada) Ltd.

COPPER STOCKS FOR MARKET PROFITS

Touched off by four successive price increases . . . all within the past few months . . . The Copper boom is now gathering tremendous momentum making Copper stocks a favourite medium of investment and speculation.

The net result: a new and prolonged Copper exploration boom . . . a boom which will gain impetus from the fact that world reserves of copper will last less than 15 years at the present rate of consumption.

The latest price increase . . . to 43 cents a pound . . . brings the total 1955 increase to 13 cents and moves copper up to first place (in dollar value) in Canadian Metal production.

The increased money-making potentialities in copper production has already started a new and frenzied search for prospective copper properties.

The Chibougamau area, N.W. Quebec, with two producers to its credit and a surprising number of others receiving exceptional encouragement from exploration and development work, gives strong indication that Chibougamau offers one of the best bets as far as the alleviation of the copper shortage is concerned.

The shares of mining Companies with holdings under active development in Chibougamau have been advancing steadily on the Montreal and Toronto Stock Exchanges, and the risk capital investor is being rewarded handsomely for his confidence in this booming camp as an important source of the strategic metal.

Primarily in view of its recently acquired participation in the highly promising Chibougamau mining camp, RED CREST GOLD MINES LIMITED, listed on the Canadian Stock Exchange, quoted around 20 cents, appears to have excellent capital gain possibilities.

We have prepared a timely study of the profit possibilities of selected copper stocks, with a summary of Canadian copper producing areas of major importance. For a FREE copy of this presentation as well as the latest report and information on RED CREST GOLD MINES LIMITED complete the attached coupon.

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LOOKS TO CANADA

Uganda Official Tells Why African Country Attractive

A United Kingdom visitor to Toronto's Bay St. in connection with Frobisher-Gairdner financing of Kilembe Copper Cobalt took time off this week to tell why he thought Uganda, location of Kilembe, offered unusual opportunities for other investment of risk capital.

John L. Leyden, C.B.E., London director of Uganda Development Corp., was able to paint and document a picture which is probably unique for Africa.

The 60-year-old British Protectorate of Uganda which has "never known an anti-European riot" and whose 5.3 million population was reported "keen on industrialization" enjoys such financial prosperity that unusual assistance is being provided for new industries seeking to take advantage of Uganda's varied raw materials.

The Uganda Government which has reserves of £75 million has provided its assistance through Uganda Development Corp. which has been working with a capital of £5 million. So great has been the rate of industrialization in Uganda that consideration is now being given to raising UDC capital to £7½ millions.

When interest is displayed by a company in coming into Uganda, Uganda Development Corp. not only stands ready to research the entire project at no cost but is also prepared to put up half the capital needed to place the project in operation.

"We don't want control of any company. We are compelled by our ordinance to have a minority shareholding," Mr. Leyden pointed out. "We are waiting for people with an idea," he said.

Uganda has established a diversified industry in the last decade with foreign invested capital rising from £8.9 million to £20 million in a four-year period. However, the Kilembe project is the largest to date. A cement operation and textile industry are among more newly-established Uganda industries.

Fine cotton, peanuts, coffee and hides are among important Uganda exports.

Mr. Leyden pointed out that through Frobisher's stake in Tororo Exploration Co., Canadians are already sharing in a large columbium-apatite bearing pyrochlore deposit in Uganda. Associated with Frobisher in this project through Tororo are Parry & Co., and UDC. The ore is stated to have been researched by Uganda Development Corp. with an ability demonstrated to turn out columbium at low cost.

With £22 million invested in its huge Owen Falls power development, Uganda has an immense block of developed hydro-electric water power which is available for establishment of further industry.

Nfld. Readying Javelin Backing

From Our Own Correspondent

ST. JOHN'S—A series of unprecedented moves have occurred in Newfoundland in connection with a proposed Act to enable the Government to back a $16½ million bond issue which Canadian Javelin needs to finance building of a 42-mile long railway to its Lake Wabush holdings.

The Legislature had not been in its special session one hour when Premier Smallwood said he would ask for adjournment for a week for the express purpose of giving opposition members every bit of the information he himself had on Canadian Javelin as well as time to study it.

Then the Premier announced that John C. Doyle, president of Canadian Javelin, would meet both government and opposition members to answer any questions which members may have.

Premier Smallwood said that his legislation was the best documented in Newfoundland and handed opposition members yesterday a veritable raft of information including maps and private reports on the value of Lake Wabush ore, etc.

Opposition Leader Malcolm Hollett, cautioning against commitments of public monies without careful thought, nonetheless stated he would support the measure if it was proved to him to be in the best interests of Newfoundland. The Legislature will meet again Monday.

Canadian Javelin hopes to turn out two to three million tons of iron concentrate a year from its large Lake Wabush magnetite iron ore occurrence with the product marketed in Germany.

Initial contracts involving $10.2 millions have been awarded McNamara Construction Co. for construction of transport, housing facilities and plant at the property. Full cost of the project has not yet been reported.

Finances not already arranged are expected to be provided by about $8 millions of bonds to be offered in Montreal and New York.

Conro Development reports that by agreement of Sept. 2, Norris, Allen Ltd., on behalf of a client, underwrote 400,000 shares at 32 cents a share. Issued capital is 3,200,000 shares, leaving 1,800,000 shares in treasury.

ANNOUNCEMENT

ECONOMY HOME BUILDERS EXECUTIVES

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General Manager

DEL MARIUZ
Director of Construction

R. J. DALLARD, C.A.
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Now building low-cost quality homes at the annual rate of 800 to 1,000 homes per year, Economy Home Builders announces recent executive appointments. Each executive has years of successful experience in his field, and plans are to expand the building program for 1956 to 1,200 or more homes. Ontario cities in which Economy Homes are now building are: Windsor, Chatham, Wallaceburg, Sarnia, London, St. Thomas, Kitchener, Stratford, Guelph, Preston, Brantford and Hamilton.

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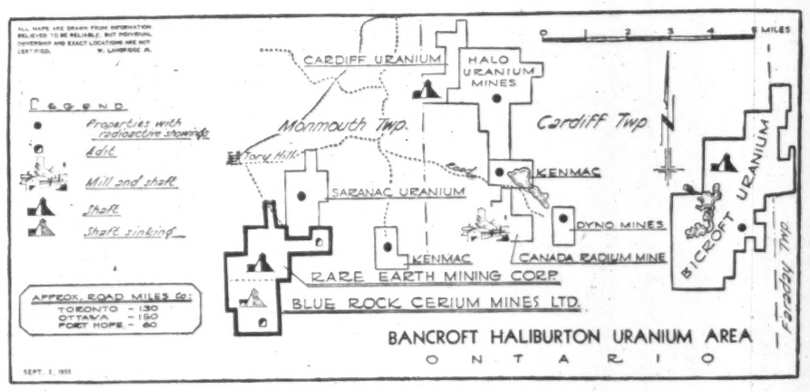

Colonel W. H. Price, President of Rare Earth Mining Corporation of Canada Limited and Mr. H. G. Ross, President of Blue Rock Cerium Mines Limited are pleased to announce that Directors' Meeting of the above named Companies have agreed on their amalgamation. This was a logical proceeding as their properties adjoin each other and one mill would be sufficient for the combined development, which would decrease the cost of operations.

The plan is for the combined Companies to have a capitalization of 6,000,000 shares of a par value of $1.00 each. At the present time each of the Companies has a 3,000,000 share capitalization.

When the amalgamation is consummated there will be in the neighbourhood of 4,000,000 shares issued and outstanding, each Company having about an equal number and getting share per share for its holdings, which will leave about 2,000,000 shares in the treasury for development.

Steps are now being taken to call the necessary special general meetings of shareholders of each Company to approve of the action the directors have taken.

These Companies are fortunate that they can combine their engineering staff as the ores of each of the properties respond to the same treatment. Both Mr. D. C. McKechnie, P.Eng., who is Regional Engineer in the area for Stratmat Ltd., which controls Blue Rock and Mr. T. Roy Clarke, P.Eng., who is Resident Engineer of Blue Rock, will henceforth direct the exploration engineering and development work on both properties. On behalf of Rare Earth, Doctor Hugh S. Spence, Consulting Mineral Technologist of Ottawa, has been acting as consultant. It is anticipated that this combined staff will be able to complete the balance of the amalgamation from an engineering and geological standpoint and steps have already been taken to carry out the necessary plans.

In a report by Mr. D. C. McKechnie, P.Eng., the work programme being carried out on the combined Blue Rock and Rare Earth properties is summarized as follows:

"Based on diamond drill results to date the ore possibilities of the combined properties now stand in the range of 3500 to 4000 tons per vertical foot of an estimated grade of 0.10% U308. In addition to the U308 there are appreciable quantities of Thorium, Zirconium and other rare earths.

To date, diamond drilling has by no means exhausted the ore potential of the known ore areas. Two drills are at present being employed on surface exploration and a third will be added shortly.

Undergound work is being carried on in two shafts. The No. 1, or Rare Earth shaft is at present approximately 480 feet deep and the crew is cutting the bottom level station. On the No. 2, or Blue Rock shaft, sinking has now been resumed after plant construction and is at a depth of seventy-five feet with an ultimate depth of 400 feet.

Underground operations are also in progress at #2 adit which is being driven under the main Blue Rock C Zone at a depth of 100 feet below the shaft collar. No. 1 adit has recently been completed on the Rare Earth property where it was driven under the Spence and Lloyd veins. Three hundred and eighty-five feet of drifting from this adit returned 235 feet of drift averaging 0.17% across drift width".

The amalagamated Companies under the name of Rare Earth Mining Corporation will have a Board of seven Directors, with equal representation and it is anticipated that Mr. J. C. Udd will be President, Mr. Jenkin Evans, Vice-President and Mr. William H. Price will be Chairman of the Board.

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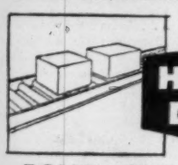
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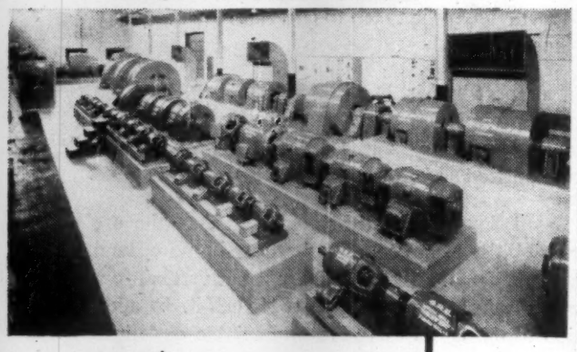
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$3 Billions of Uranium Ore Is Expected To Prove Available In Blind River Camp

Recent figures compiled by official mining industry sources on anticipated productivity of the Algoma (Blind River) uranium camp suggest that Canada can expect to play a large if not dominant role in uranium mining.

Reasonably assured reserves of uranium metal at Blind River are placed at $1 billion, taking uranium at the current price for a high-grade uranium chemical precipitate.

In addition to this, indicated ore is additionally estimated at $2 billions, taking in such sections as likely ore on Algom between Algom Quirke and Consolidated Denison drilling, ore between Consolidated Denison and Can-Met drilling, ore between Consolidated Denison and Spanish American, etc.

Besides this, it is estimated that less than 20% of the field has been explored to date.

Biggest Canadian Field

When production is attained by Algom and Consolidated Denison, Blind River is expected to be Canada's largest uranium field in both annual production and ore reserves. The ore potential already indicated suggests a much larger production is feasible—if, as and when desired. A large number of operators — Can-Met, Spanish American, Lake Nordic, Buckles, Aquarius, etc. -- are already aiming at production if Eldorado contracts become available.

The extent to which uranium mining is going to change the face of the Algoma uranium camp is nothing short of tremendous, it seems. Expenditures will undoubtedly be far over the $100-million bracket. Those already estimated (or made) by four operators shape up like this:

	Millions
Algoma Uranium	$42.5
Consolidated Denison ...	37.5
Pronto Uranium	7.5
Noranda acid plant	4.0
	91.5

Actually these expenditures, along with an estimated million expected to be spent for hydro, will cover only a moderate part of over-all outlays.

Available information suggests direct employment of 2,500 men by Algoma area uranium mines and the Noranda acid plant. It is thought about 1,200 men will be employed by Algoma Uranium and 1,000 men by Consolidated Denison.

A total of 2,500 employees with their dependents, plus people in service and supply industries, would represent a livelihood for about 10,000 people, it is thought.

Production in the Blind River camp has been based entirely on uranium. But there are possibilities for a substantial by-product output of thorium, pyrite and gold. One copper mine is also indicated.

When operations by Algom, Consolidated Denison and Pronto reach capacity, it is expected that over $250,000 of uranium a day will be produced or at an annual production rate of well over $80 millions. Substantial sums will be paid out in reagent costs for big leach plants which are now going up.

Marketing agreements with Eldorado are seen assuring success for Blind River operators during their period of nitial production. After contract periods expire, production plants may be entirely written off improving the position of individual operators and the camp at large as far as continued production of uranium under competitive conditions is concerned.

Oceanic Iron Ore Expands Indicated Ungava Tonnage

"More iron ore than previously suspected is now being developed on the 40 square miles of Oceanic Iron Ore of Canada in the Ungava region of Quebec," officals announce.

Under direction of Dr. A. T. Griffis, a team of 20 geologists, engineers and technicians has been conducting a program of diamond drilling, surface exploration, mapping and topographical surveying. In addition, a complete aerial prospecting program is in progress, employing magnetic, electromagnetic and scintillometer techniques.

Dr. Griffis' ground party is stated to have confirmed by diamond drilling, that there are 250 million tons of 25% to 30% iron material in a small portion of the Morgan Lake range. The prospects of greatly increasing this figure are regarded as encouraging.

"We are now probing the reaches of a large iron-ore bed, which outcrops, 80 to 120 ft. thick, over large areas of the Morgan Lake section," Dr. Griffis reports. "On the basis of surface exposures alone, we can expect to increase this tonnage as quickly as diamond drilling can progress."

Harry R. Buckles, chief engineer of Technical Mine Consultants, company managers, agreed that the present tonnage estimate might be substantially increased if recent results continue until the season closes in late September.

Feeling that the coarse quality of the magnetite discovered should prove advantageous in efficient, low-cost, magnetic concentration of the ore, Prof. H. Ross, metallurgist, said that bulk samples will be tested this winter for concentration characteristics.

Meanwhile, Technical Mine Consultants' managing director, Franc. R. Joubin, stressed that much will depend on the results of thorough capital and cost studies to be undertaken this winter.

"These studies," Mr. Joubin declared, "will provide dependable data on all aspects of production costs."

"European markets are a possibility," it was stated.

Under the direction of the Hirshhorn financial interests, Oceanic Iron Ore of Canada now has more than $600,000 in its company treasury.

Que. Chibougamau Copper Bet Shows 5.3% Copper Over 10 ft.

A 950-ft. long copper zone established in surface work by Quebec Chibougamau Goldfields has returned favorable results in both surface trenching and pilot diamond drilling, President Philip M. Malouf advises The Post.

A length of 260 ft. systematically trenched was stated to show widths of 6 ft. to 17 ft. with preliminary sampling giving 5% copper and about $4 per ton in gold and silver.

Five pilot diamond drill holes on a length of 220 ft. under the trenched area are stated to confirm an average width of 10 ft. and to return an average of 5.3% copper and $2.90 a ton in gold and silver.

Trenching 350 ft. west of the trenched area has uncovered a minimum width of 8 ft. of oxidized material containing copper and pyrite mineralization. This represents the westerly strike extension but has not indicated the full width.

The shear structure has also been uncovered some 340 ft. on the shore line, going in an easterly area from the area of trenching.

It shows a width of 40 ft. of sheared material containing oxidation similar to the surface ore discovery.

"The sheared structure containing the above mineralized zone manifests widths of 20 ft. to 60 ft. and indicates that it would undoubtedly extend to greater lengths as is also suggested from resistivity, magnetometer and self potential surveys." Mr. Malouf reports.

Copper Cliff Pulls Good Deep Hole

Another good copper hole has been pulled by Copper Cliff Mining Corp. on the Royran section of its Chibougamau holdings.

Drill hole R-18 showed copper values over a core length of 135 ft. starting at 415 ft. The best section ran 2.08% copper over 25 ft. but taking bigger widths—which would likely be mined — a much wider ore intersection can be inferred.

The 20-ft. ore section was contained in a wider section of 35 ft. starting at 475 ft. which averages 1.65% copper. There is an additional section of 20 ft. starting at 530 ft. which averages 1.58% copper.

Including a 20-ft. low grade section between the two zones, a width of 75 ft. averages 1.28% copper and the company's engineers believe it would probably prove feasible to mine this entire width.

Hole R-18 is the deepest hole in the section in which hole R-3 was drilled showing a big length of copper values. The ore zone is stated to have a true width of close to 100 ft. in this part.

New Goldvue Now Drilling at Tashota Plans Other Work

A program of diamond drilling has been launched by New Goldvue Mines on an 18-claim property in the Tashota area of Ontario and diamond drill programs are also shaping up for two other properties elsewhere.

Electro-magnetic and magnetometer survey work have shown anomalies at Tashota and sulphides have been noted in proximity to strong anomalous areas. Seven diamond drill holes are to be put down.

The electro-magnetic and self potential surveys recently completed on New Goldvue's lithium prospect comprising 600 acres in LaMotte twp. have disclosed a strong anomaly, it is stated. Diamond drilling is to start. This property ties on to the north of Ascot Metals Corp. where two spodumene-bearing dikes have been discovered and on which diamond drilling has indicated an ore occurrence.

In New Brunswick, the company holds 33 claims located approximately five miles west of the property of American Metal Co. where several large ore bodies have been located. An electromagnetic survey completed on this group indicated three conducting zones. These zones are west of a magnetic low which may indicate intrusive porphry, and it is along a porphyry contact that the American Metal ore zones are located. Arrangements are now being made to check these zones by diamond drilling.

New Goldvue Mines also owns 600 acres located two miles south and west of Opemiska Copper Mines. In view of the success of Opemiska Copper, coupled with the present high price for copper, the company plans to immediately undertake a geophysical program on this claim group as the initial phase of an exploration and development program.

Falconbridge Has Over 30% Gain In Operating Profits

An increase in operating profits of over 30% to $7,288,367 was shown in the first half of 1955 by Falconbridge Nickel Mines before charging interest expenses, estimated income taxes, outside exploration depreciation and deferred development.

After all charges, net profit rose to $2,706,595 of 72c a share as compared with 62c a share in half a year of 1954.

"Gross revenues were increased by higher deliveries at improved prices of both nickel and copper," R. Campbell, secretary, reports.

Offsetting in part higher gross revenues were higher costs of production, a lower grade of ore treated and a $732,000 increase in the charge for depreciation.

Depreciation was $329,000 lower than would have been the case had Falconbridge not changed to a 10% straight line depreciation basis to show earnings more closely in line with those available for dividends under the company's trust deed.

Production of refined metals rose 12% over the same period in 1954 while the corresponding increase in production of nickel in matte at the smelter, which is at present at capacity production, was 6%. Deliveries of concentrates from independent sources to the smelter was down 20%.

Exploration expenditures were boosted by a program of mine development in the Kenora area where a shaft has been collared.

Most of the current surface expansion program has been completed with chief exceptions the railroad, mining plant and mill at Fecunis and increased smelting facilities at Falconbridge. The Fecunis shafts are down 2,980 ft. and 2,390 ft. and preparatory work for winze sinking at Falconbridge is under way.

The new Hardy mill has reached full-scale production and the pyrrhotite pilot plant is stated to be giving satisfactory results.

Bathurst Mining Corp. and Maritimes Mining Corp. have jointly advised the Toronto Stock Exchange that Tilt Cove mining properties have been jointly acquired from Cantab Mines for $175,000 cash plus 550,000 Bathurst shares and 550,000 Maritimes shares. Issued capital is 3,397,507 shares, leaving 1,602,493 shares in treasury.

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ANNOUNCEMENT

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a Montreal chartered accountant, who has been appointed comptroller for Canadian Overseas Telecommunications Corp. Mr. Waterhouse is a member of the Quebec Institute of Chartered Accountants and the Montreal Chapter of the Institute of Internal Auditors. D. F. Bowie, president and general manager of the Crown-owned communications enterprise, said that the appointment is effective from Sept. 1, 1955.

Copper, Nickel, Iron Ore, Hold Interest In Expanding Canadian Mining Horizons

By GORDON M. GRANT

With uranium exploration expected to be on a somewhat less hectic sale, following Ottawa's "double-deadline" requirements for premium contracts, more and more attention is expected to be paid to other minerals which may be in the limelight and offer favorable profit opportunities.

A variety of minerals — rather than just one or two items — appear to beckon on Canadian mining horizons.

Here is the line-up:

Copper: Already attracting wide attention, the "red metal" may continue in short supply for a long time to come.

Nickel: Continues tight and in an attractive price-cost relation for development of new nickel occurrences.

Iron Ore: Increased attention expected to be paid to low-grade Canadian magnetite iron deposits as U. S. plans further expansion of steel facilities.

Lead and Zinc: Working into a statistical situation where higher prices might develop. Prices not yet high enough to really stimulate exploration but position could change.

The Situation Detailed

There is an interesting background situation which makes all these mineral items of interest.

The U. S. has raised its copper price twice in recent weeks — first from 36c to 40c, then from 40c to 43c a lb. But it appears as if even the 43c price is not going to attract enough copper from Europe to the copper-hungry U. S. as the European price continues around 49c to 50c a lb.

As the U. S. raises its price, the tendency appears to be for the European price to move higher.

In the U. S., No. 1 copper scrap has been fetching as much as 43c a lb in recent days. This prompts the question as to whether or not the U. S. may not be in for an early fifth round increase for copper.

There is now a threat of a new strike overhanging copper production from Northern Rhodesia.

Any new strike in this area would add to the already tight copper supply situation. The Northern Rhodesia Chamber of Mines has refused outright a demand for a 6s. 8d. wage increase per shift. The union has formally notified the Chamber that a dispute exists over the request for a wage increase.

The shortage of nickel has existed for so long that it has now become an almost accepted fact of our economy. The price of nickel provides a real incentive to put new mines in production. But nickel mines are not too common.

Great efforts have been put forth by the U. S. to increase the available supply of nickel and this has met with some success. However, expanding industrial activity in the U. S. has prevented the larger supply from overtaking demand. The U. S. is considering still further projects but it may be a long time yet before a really adequate supply of nickel is available.

For anyone developing a nickel mine, the possibility exists of securing a premium price from the U. S. Government.

Even though Quebec-Labrador iron ore is being delivered to the U. S. steel industry in large volume, and ore is also flowing in from South America, the prospects are that more lower grade but large magnetite deposits will come in for attention.

A survey by the U. S. Department of Commerce indicates that by 1960, projected demands for steel will require an increase in ingot-making capacity of about 24 million tons a year to 150 million net tons in the U. S.

Current civilian demand of 117 million tons, plus an 18 million ton minimum margin for defense would require a capacity of 135 million tons to conform to the requirements of the Defense Production Act, it was pointed out.

If scrap were not a factor a 135 million ton annual capacity would require close to 270 million tons of ore a year. This gives some idea of the mammoth iron ore requirement foreseen in the U. S.

With Mesabi range reserves gradually dwindling and taconite pellets in the high cost bracket, the possibility of turning out high grade iron concentrates (running over 60%) from Canadian magnetite deposits is believed increasingly attractive to U. S. iron ore interests.

August statistics on U. S. zinc suggest that the supply situation on this metal is tightening up. With supplies on hand only two weeks' requirements, zinc could follow copper as a shortage metal, it appears.

The price of the metal recently increased in the U. S. by half a cent a pound to 13c.

August shipments of zinc to U. S. fabricators rose about 10,200 tons to 87,042 tons and were nearly 30,000 tons in excess of shipments for August last year. As a result of higher shipments, stocks of zinc in the hands of producers and smelters decreased 5,200 tons to 46,087 tons, the lowest level reached since May, 1952.

In addition to heavy shipments reported, unfilled orders on the books of producers also rose sharply to a total of 73,633 tons, an increase of nearly 10,000 tons. This is the largest backlog of such orders since May, 1951.

The U. S. is the world's largest market for zinc.

Lead and zinc prices are still well below levels of a few years ago. Prosperity is still "around the corner" for most producers of lead and zinc concentrates. If the present level of industrial activity holds in the U. S., however, chances for improved profit margins on producing lead and zinc would appear much better.

Ont. Claim Staking Reaches New Peak

All records for claim staking are being smashed in Ontario this year.

Not only was the total of claims staked in the first six months of 1955 well ahead of the all-time record total for the same period of 1954, but statistics show even greater activity for July.

A total of 5,141 claims was staked in July this year as compared with 2,801 a year ago. All but two of 13 divisions showed July increases.

The 1955 claim staking record reads like this:

	July	Total
Fort Frances	201	1,568
Kenora	517	2,588
Larder Lake	50	501
Montreal River	49	288
Parry Sound	4	236
Eastern Ontario	466	3,402
Patricia	59	462
Porcupine	78	1,490
Port Arthur	1,489	8,558
Red Lake	216	693
Sault Ste. Marie	1,338	8,103
Sudbury	564	5,533
Temiskaming	110	1,039
Totals	5,141	34,453

Consolidated Bellekeno Mines reports that by agreement of Sept. 7, Houston & Co., on behalf of a client, underwrote 200,000 shares at 20 cents a share and optioned 800,000 shares in blocks of 200,000 shares each at prices ranging from 25 to 40 cents a share.

ANNOUNCEMENT

IMPERIAL OIL CHEMICAL PRODUCTS DEPARTMENT APPOINTMENTS ANNOUNCED

C. M. BEAMER — T. B. DOHERTY — W. W. STEWART

Three appointments to its newly-formed Chemical Products department are announced by Imperial Oil Ltd. The general manager is Clayton M. Beamer, who has had wide experience in chemical manufacturing and sales and has done extensive research work with alcohols, esters and glycols. Formerly he was assistant general manager of the Chemical Products department of Esso Standard Oil Co. in New York. T. B. Doherty is manager of the technical division of the new department. He joined Imperial as a process engineer and moved up through a number of refinery appointments to the position of management assistant in the manufacturing department. Dr. W. W. Stewart, M.B.E., is manager of the sales division of the department. He was formerly assistant manager of the technical division of the company's marketing department. He has been with Imperial since 1930. During World War II he was director of the Chemicals and Explosives division, Washington office, Canadian Department of Munitions and Supply.

Aberdoon Tests Copper Find In Algoma, TMC Direct Work

A program of development of an interesting copper find in the Algoma region, near the town of Desbarats, is now being undertaken by Aberdoon Mines under field direction of Technical Mine Consultants.

Ten trenches, totaling over 700 ft. in length, have been excavated in solid rock, within an area of 500 ft. by 250 ft. according to Don James, chief geologist for Technical Mine Consultants.

"Chalcopyrite and pyrite occur in variable amounts in most of these trenches, below a zone of surface leaching," Mr. James explained.

"Structural control of the mineralization has not as yet been determined," he continued, "although it has been postulated that the copper is concentrated in a bed of pink quartzite, possibly through sedimentary deposition."

Diamond drilling will answer this question, he was confident.

The Aberdoon copper find has been made in a farming area, easy of access, near the Trans-Canada Highway and within 1½ miles of CPR.

Mining Engineer M. C. Halstead of Sault Ste. Marie in a recent report describes surface outcrops of the main ore-bearing beds, some of which are stated to show a commercial grade of copper as high as 2.5%.

Financed by Paragon Investments, Toronto, Aberdoon is headed by Henry McAlister Lang of Sault Ste. Marie.

Power Plus Metallurgy Hold Keys To Major N. B. Growth

HALIFAX (Staff) — The Bathurst mining camp in New Brunswick has reserves of ore which will likely rank it among Canada's largest.

The ore reserves are large enough to support smelting and refining industries.

For the people of the province local smelting and refining would bring more important benefits than the mining itself. Hurdles to be taken are development of suitable processes for handling Bathurst ores and provision of enough power.

This is the major question looming ahead for New Brunswick in its new-found richness of minerals, according to a report presented to the Institute of Public Administration meeting here.

The mining companies concerned are working on the technical questions of metallurgy.

The Government and the Power Commission are puzzling about the provision of cheap power, and the Government has provided a safeguard to induce local processing. It has authority in its new mining act to triple the tax on mines which ship their product out of the province in the form of raw concentrates.

Power could be a major problem. If all the base metals now proven were to be completely used within the province, power consumption of New Brunswick would double. It is already increasing at about 10% per year for normal uses. Little new water power is available. The prospects of getting power from shale deposits have receded. Cheapest available source now apparent is imported residual oil. This, it is estimated, would provide electricity for six mills — cheaper than coal, but still relatively high-cost power for industrial use.

The Ore Reserves

A review of the known ore reserves of New Brunswick was given to the conference by A. L. McAllister, associate professor of geology at the University of New Brunswick. He said Brunswick Mining & Smelting Corp. has over 29 million tons of ore in its No. 12 ore body, and over 28 million tons proven in No. 6 ore body. The American Metal Co. has 7.2 million tons of proven ore. Taking just these two, without the smaller properties like Anacon's New Larder "U" and Keymet, the Bathurst area has 65 million tons of outlined ore, containing 1,343,000 tons of lead, 3,496,000 tons of zinc, 344,000 of copper and 124 million ounces of silver. All this is based on exploration down only as far as 1,000 ft.

American Metal, said Mr. McAllister, is sinking one shaft and another will be begun soon. Tentative plans call for production of 1,500 tons a day. Target date for completion of the mill is 1957; and present plans call for shipping concentrates rather than smelting in New Brunswick.

Brunswick Mining & Smelting has found the milling process somewhat difficult because of the fine-grained nature of the ores; but a 150-ton pilot mill has been operating since February and the company is confident of being able to treat the ores profitably.

It plans to begin production at between 4,000 and 6,000 tons per day. In the initial stage ore will have to come from the No. 6 ore body, where six or seven million tons are available for strip mining. About three quarters of the overburden has already been cleared.

Later part of the production will be taken over by the No. 12 ore body. A new five-compartment production shaft will be collared this fall with actual sinking operations beginning in the spring.

Erection of the mill will take 2½ years after the completion of the pilot mill stage: so the earliest date for significant production is about three years away.

Mr. McAllister stressed the potential value of the sulphur and iron which may be extracted from the Bathurst ores. He said every ton contains 700-800 lb of sulphur and almost as much iron — products of great potential use if extraction processes can be mastered.

Newfoundland Potential

In contrast to the serious shortage of power in New Brunswick and Nova Scotia, Newfoundland expects to lead all Canada in its hydro-electric production.

So said Gordon Pushie, Director of Economic Development for the province, in a reference to the estimated 10 million hp available on the Hamilton River in Labrador. The British-Newfoundland Development Co. (Brinco) has already spent several million dollars, said Mr. Pushie, in a survey of the possibilities.

In a brief survey of Newfoundland's development program since confederation, Mr. Pushie mentioned the tannery and the four leather-working industries based on it. One of them makes luxury leather handbags under the guidance and direction of skilled designers from Germany; another makes shoes. They concentrate on high-quality products where transportation costs to market are not a factor. Leather handbags, he said, could be flown to their markets in Toronto and Montreal.

For the future, he said an English chocolate company is moving lock, stock and barrel to Bay Roberts at the end of this year. The Government is working for the establishment of a third pulp and paper mill. It believes there are great mining possibilities. And he said: "We are dreaming — though I stress it is no more than a dream — of establishing a great free port area in the south of Newfoundland."

The people of the island, said Mr. Pushie, had not been stirred so much since confederation as they were by the proposal that they should be denied the economies of using British shipping in order to support a high-cost Canadian coastal fleet. "We are still hoping," he said, "that we shall be able to carry out our development within confederation."

Consolidated Fenimore Mines reports options at $2.20 a share were not exercised and have lapsed.

Marathon Corp. Net, Sales Rise

Consolidated net profit of Marathon Corp., Menasha, Wis., for the nine months ended July 31, 1955, was $6,672,460, 25.2% higher than $5,327,795 in corresponding period last year. Earnings were equal to $1.81 per common share against $1.43.

Sales were up 11.4%, rising from $86,050,966 to $95,872,446, says President John Stevens, Jr.

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WHAT DID OSCAR C. BARTELLS SAY
In His Market Advisory Service About
WESTON LTD.? ALGOMA STEEL?
QUEBEC-CHIBOUGAMAU?

EXTRACT FROM MARKET LETTER No. 727 (Sept. 1, 1955)
"The feature here is GEORGE WESTON at $118! I am pleased to say I recommended this stock to you in Letter No. 694 at 57, in Letter No. 707 at 79 and again in Letter No. 709 at 90! The deal is said to be near finalization at a price of 140! Stay with it. Another high priced special is ALGOMA STEEL, given to you in Letter No. 714 at 60 for 80 and again in Letter No. 715 for over 100! I hear earnings are at the rate of over $20 a share which should make even this objective very conservative. Buy it (now 77)."

EXTRACT FROM MARKET LETTER No. 727 (Sept. 1, 1955)
"QUEBEC CHIBOUGAMAU (with property lying onto CAMPBELL CHIBOUGAMAU) is featuring the market with an advance to $1.22. I have recommended this stock ever since it was 40 cents and in my last Letter brought a 'scoop' out on its new surface copper find. The stock was then 75 cents. In the meantime this exposure has been lengthened for 160 ft. showing width of 6 to 11 ft. of 3.12% to 8.06% copper. The indicated length is 400 ft. and a drill is testing the ore zone to depth. It looks important to me. Hold and buy for much higher prices."

EXTRACT FROM MARKET LETTER No. 728 (Sept. 8, 1955)
"I again recommend QUEBEC CHIBOUGAMAU (now $1.35). The excellent surface showing (see Letter No. 726) has been extended to 225 ft. and by shallow drilling in 5 holes indicates a width of 10 ft. and values of 5.3% copper plus $3 in gold and silver. The structure appears to be 975 ft. long so far, trending in a northeasterly direction."

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RECENT MARKET PRICE OF QUEBEC CHIBOUGAMAU 1.65!

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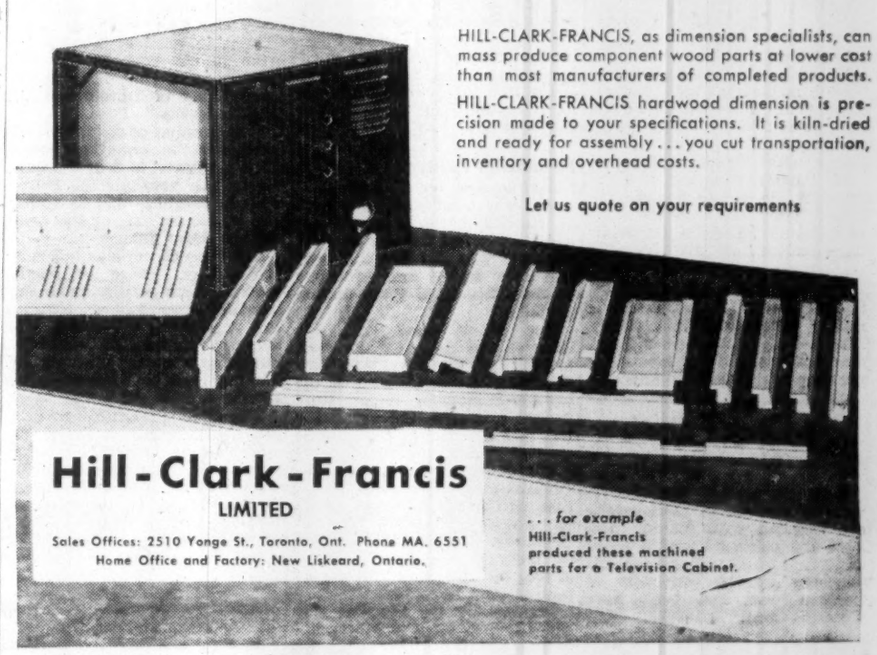

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LETTER FROM LONDON

By Adelphi

LONDON — London has had a strong Canadian accent this week. In other words the formidable Canadian Aviation Industry was strongly represented at the Farnborough Air Display. We are told that Canada is not only producing first rate flyers but the best passenger planes in the world.

I agree that this information came from a young Canadian whom I seem to have met before but the British manufacturers are also much impressed.

You will have heard of course that Prime Minister Eden flew to Farnborough, then took the controls on a flight in a Vulcan and afterwards flew back to London. He seems utterly tireless and thoroughly enjoyed the jaunt.

One of the things that staggered me at Farnborough was to see a gigantic four-engine plane take off with a run of 100 yards. This opens up immense possibilities in colonial territories. However, as your London Correspondent I shall now leave Farnborough and return to Gotham-on-Thames.

* * *

The Times Visits Dawson City

Yet even at the centre of things there is no escaping the Canadian touch. The Times has just come out with a very long article called: "A Flying Visit to Far Northern Housewives in Canada."

As usual it does not give the name of the writer because the Times is published on the basis of anonymity. Only in its famous letter column do the names of the writers appear.

The article ends with a description of Dawson City "which is now a ghost town half empty. Now it is all tattered, derelict and deserted but it is not really depressing as the glamour somehow has remained with a dignified melancholy, and, though the gold has nearly all gone, one sees on the edge of the Klondike River a massive dredger doing its work and clanging — and there are gold nuggets to be purchased."

How's that for a long sentence? But obviously the Times was greatly impressed by it.

* * *

T.U.C. Leaders Back Conciliation Machinery

Now for more mundane affairs. The annual conference of the T.U.C. was held this week and a lot of common sense was talked. No one wants to interfere with the right to strike but the sober leaders of the T.U.C. are determined that the machinery of conciliation must first be put into motion.

The Communist-led Electricians' Union which brought about the newspaper strike a few months ago did its best to inflame the Conference but without success. The solid common sense of British Trade Unionism won the day.

As a result the Stock Exchange cheered up but it is to be hoped that we shall not have another buying and selling spree. Spectacular untaxed gains are great fun but psychologically the effect is bad for the genuine investor, for the public, and especially for the workers.

* * *

Edinburgh Festival Shopkeepers Are Happy

On your behalf I paid a visit to the Edinburgh Festival last week and found the city in great spirits. I was told that this year will show an all round revenue to Auld Reekie of three million pounds.

The hotels were full, the theatres and concert halls were playing to capacity, the taxi-drivers' pockets were bulging, the London-Edinburgh trains were packed and even the old Castle was making a merry profit on its grim story from the past.

There is no doubt that the Festival idea has a great attraction, as Canada has proved with its Stratford venture and as England's Stratford has proved for many, many years. To travel is fun, but to travel with a purpose is even more fun.

Incidentally the happiest people in Edinburgh are not the artists nor the visitors but the shop-keepers who sell clothes for men and women. The climate in Scotland's capital is highly capricious. It lures the pilgrims from their hotels with a clear sky and a warm sun then half an hour later souses them with rain.

So the pilgrims of both sexes dash into the clothing shops and purchase overcoats, rain-coats and anything else which seems appropriate. I know this to be true because I took no overcoat for my visit to Edinburgh — but came back with one.

* * *

The Sunday Controversy Spreads to Royalty

While we are on this Scottish theme let us take note that the "Wee Free" clergy have once again attacked the Duke of Edinburgh for his non-observance of the Sabbath. Writing in the "Monthly Record" of the Free Church of Scotland under the heading "Whither the Royal Family?" the Reverend Professor Finlayson states: —

"We genuinely believe that the Royal Family in watching the Polo game has in this respect done a real disservice to the nation, whose moral and spiritual interests they undoubtedly have at heart. The incident has also raised questions in the minds of many Christian people as to the training in spiritual things being given to one who, in the good providence of God, is to be the future King of Britain and the Commonwealth."

This question of strict Sabbath Observance is one that rouses sincere anxiety in many breasts but broadly speaking the British sense of tolerance will be against this public censure of the overworked Royal Family.

There are concerts and cinemas on Sunday. There is secular entertainment on the radio and television. The parks are crowded and the rivers are lively with pleasure craft. And with this lingering summer sunshine the bathing beaches are drawing thousands from the towns.

The Duke of Edinburgh is as conscientious as he is lively. The work he has done in creating playing fields in crowded industrial centres will be a lasting monument to his energy and idealism. Nor does the Church of Scotland join in the indictment. That is left to the Wee Frees.

* * *

Mission to Moscow In For Hard Bargaining

In foreign affairs the event of the week has been Dr. Adenauer's visit to Moscow. Needless to say the intention of the West German Chancellor is to try to find a basis for the unification of the Reich. But the opinion in London is that the Russians will ask a very heavy price.

There is just a chance that the Soviet would give up East Germany if Dr. Adenauer would agree to large deliveries of machinery and grain on a long-term credit, or better still, an outright grant basis.

Nor is Russia likely to be content with what West Germany alone can offer. Uncle Sam and John Bull will be expected to make large scale contributions and concessions. Moscow will certainly point out that, next to China, East Germany is the most important trading unit in the Soviet Zone of influence.

In addition East Germany is the largest supplier of capital goods and heavy machinery to the Soviet and its satellites.

In these circumstances it would seem impossible for Dr. Adenauer alone to offer enough to Moscow. The buck will obviously be passed to London and Washington.

Everyone knows that the reunification of Germany must come but there is a school of thought, especially in France, which asks: "What is the hurry about restoring Germany to its historic role of blackmailer and cocotte?"

Perhaps there is something to be said for the life of those forgotten souls who dwell in that half-empty ghost town of Dawson City. At least they do not have the nerve strain of the European peoples who are now so furiously waging peace on each other.

Low-Cost Printing Aids New Studies

Low-cost printing methods involving the use of photography are credited with making possible the publication of a series of studies on Canadian economic problems by the University of Toronto Press. Four books have already been published and several others are in the planning stage.

The series, sponsored by the Canadian Social Science Research Council, is edited by Prof. V. W. Bladen, University of Toronto.

Titles published to date are: "International Cycles and Canada's Balance of Payments, 1921-33," by Vernon W. Malach of Royal Military College; "Capital Formation in Canada, 1896-1930," by Kenneth Buckley of the University of Saskatchewan; "Natural Resources: The Economics of Conservation," by Anthony Scott of the University of British Columbia and "The Canadian Nickel Industry" by O. W. Main of the University of Toronto School of Business Administration. "Bank of Canada Operations 1935-52" by E. F. Neufeld, formerly with the Bank of England and now on the University of Toronto staff, is currently being prepared for fall publication.

Future books include a study on wartime and postwar legislation affecting labor with a special emphasis on collective bargaining by Prof. H. A. Logan, formerly on the University of Toronto staff.

The printing method, known as nomic printing, cuts costs well below those of regular printing, making it possible to sell the books at about $3 each. Pages typewritten with a special typewriter are photographed and plates made for the actual printing. Prof. Bladen said the initial run of 500 books just about covers production costs and second printings where sales justify it would provide a royalty for the author.

Funds for the first publications were supplied by the council with the revenue from their sale going into a revolving fund for future book publication.

"This series has made possible the publication of some very good studies which very likely wouldn't have been printed otherwise," Prof. Bladen said. "It includes titles of interest to businessmen and students as well as professional economists."

U. S. Equipment Order Placed at Sperry

Sperry Gyroscope Co. of Canada has secured a contract from the U. S. Air Force for fire control equipment. Company officials said the contract, to be completed within a year, amounted to $1.3 millions.

Parts manufacture and assembly will be undertaken at Sperry's plant in Montreal, purchased from the Federal Government last April. The plant was originally established by the Defence Production Department for manufacture of aircraft and marine instruments.

Mando Sells Waste Liquor

North America's long-time search for effective and profitable disposal of waste sulphite liquors is paying off for several pulp and paper companies. One firm that has been selling its liquor profitably for a year is the Minnesota & Ontario Paper Co.

County and municipal engineers in the International Falls area have been building and maintaining roads and highways at substantial savings during the past year through test use of 90,000 gallons of road binder. The binder is an amber, nontoxic material derived from the processing of wood chips during paper making.

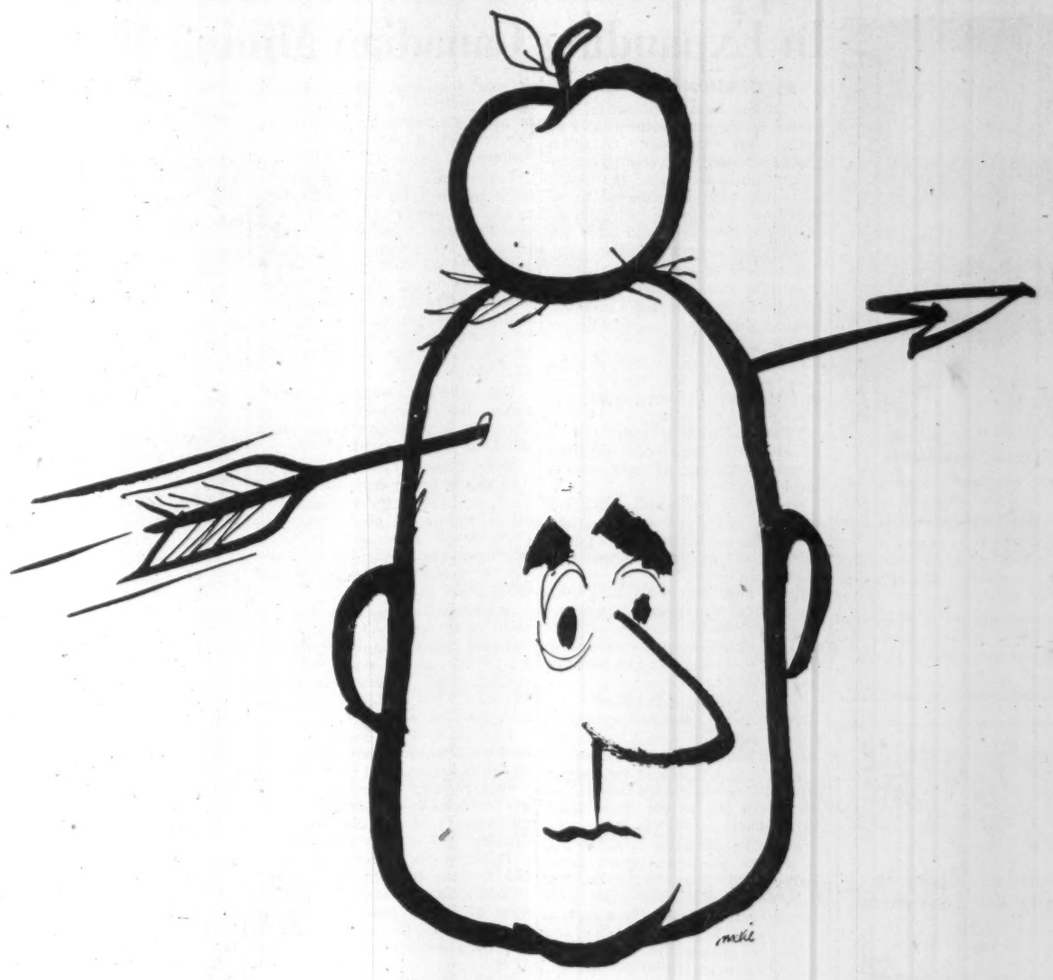
It is applied to gravel or dirt roads and mixed by blading or it may be used as a seal coat. It also is used for stabilizing the subsurface of black-topped roads.

Early estimates show that the full treatment of gravel or dirt roads should cost some $100 per mile for binder, plus an estimated 20-30% for transportation, labor, and application. Currently, light asphaltic material is being used throughout most of Canada at an applied cost somewhere near $800 per mile.

Engineers using this material during the test periods early this summer and last fall report ideal results. One county engineer reported substantial savings from a reduction in application and maintenance costs and he added, the binder-stabilized surface prevents road material blowing away in the form of dust.

Plans already have been made to surface more than 50 miles of gravel county roads this year with the Mando binder and these areas will be checked closely next spring to see how winter conditions affected it.

The material also will be used in stabilizing the base for bituminous surfacing of a major state-aid road in Minnesota to test its efficiency for that use. About 300,000 gallons of the binder will be applied on the numerous roadbed layers of a 5.1 mile stretch this fall.



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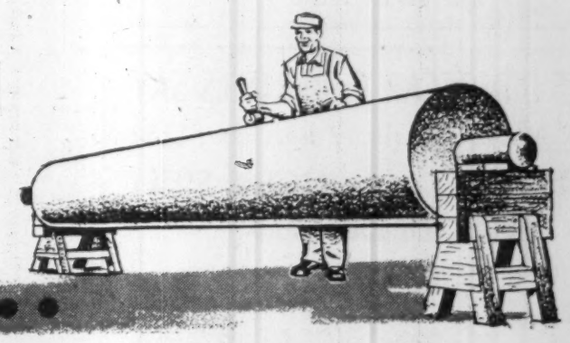

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THIS MEANS . . . that American Wringer, as of January, 1956, will be fully equipped to cover the largest rubber rolls now in operation or projected for any Canadian paper mill. With the present trend toward larger rolls, this represents a big advantage to the industry in terms of service, savings and satisfaction.

Needless to say, rolls re-covered or manufactured by American Wringer will continue to carry the famous "Tensilastic" trade mark. Tensilastic rolls are better—require less frequent grinding, cut steam costs—because of exclusive compounds and adhesives, and American Wringer's know-how based on long experience.

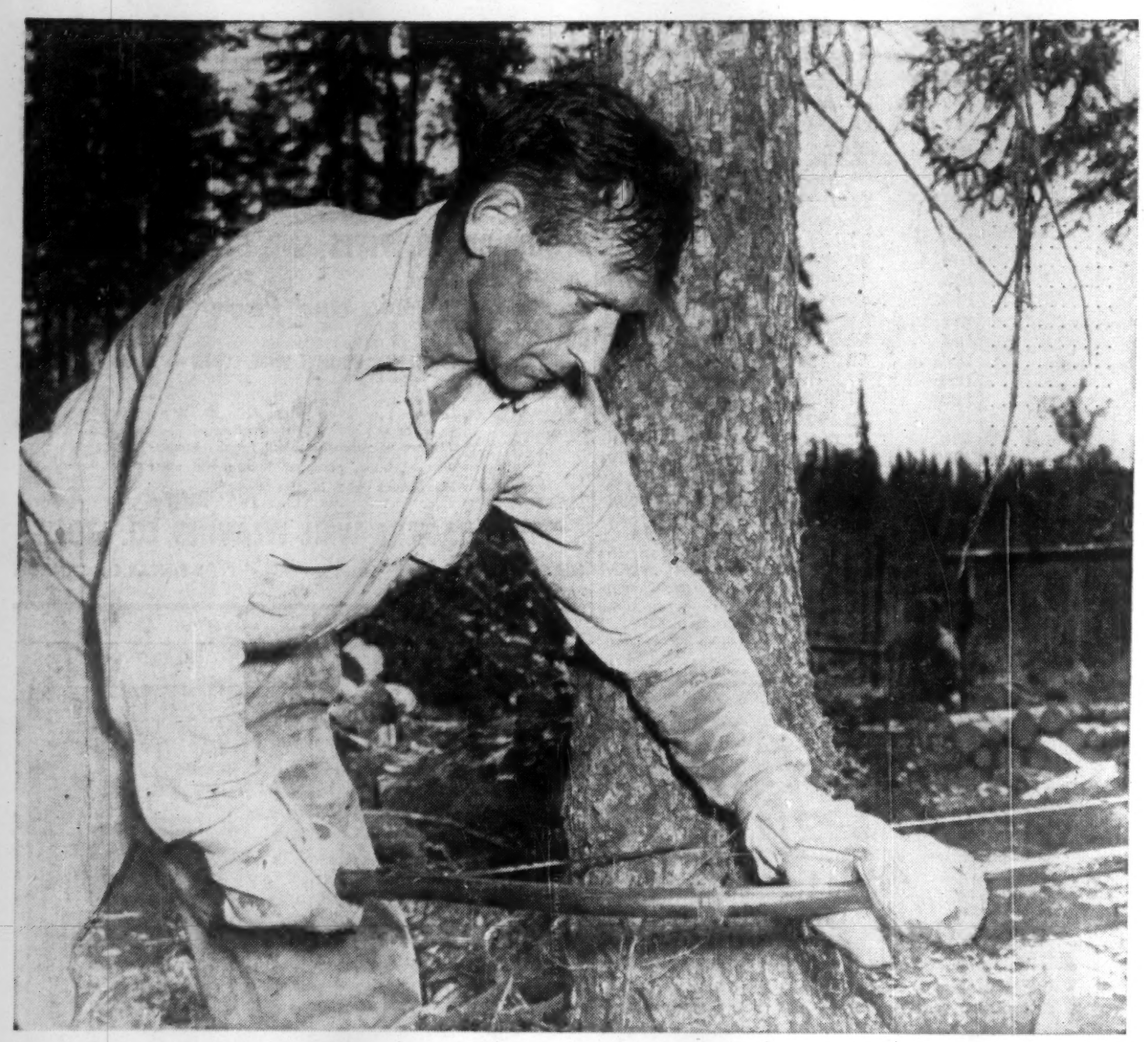
AMERICAN WRINGER COMPANY, DIVISION OF Gutta Percha & Rubber, Limited

The Financial Post

Vol. XLIX Publication Office: Toronto, September 17, 1955 No. 38

PULP & PAPER

A Heritage For All Canadians



From the verdant bushlands . . .

PROBABLY the richest single heritage of all Canadians is the verdant bushland which makes up much of this country's 3,845,774 square miles. The "bush" weaves a vibrant pattern throughout Canadian history and the modern Canadian way of life. The voyageurs built some of our earliest economic foundations on massive forest cornerstones. Prizes of wild fur brought them in; lumber helped keep them there. Now pulp and paper dominates our forest utilization. It has become this country's biggest single industry. Canada leads the world in pulp and paper production. As the pulp and paper industry goes, so goes the life of some 300,000 persons directly employed and virtually all Canadians, who are inevitably indirectly affected. The pulp and paper industry annually produces some $1,200 millions in finished and semi-finished products. And the industry is still growing in plant and physical equipment and in the number and variety of its products

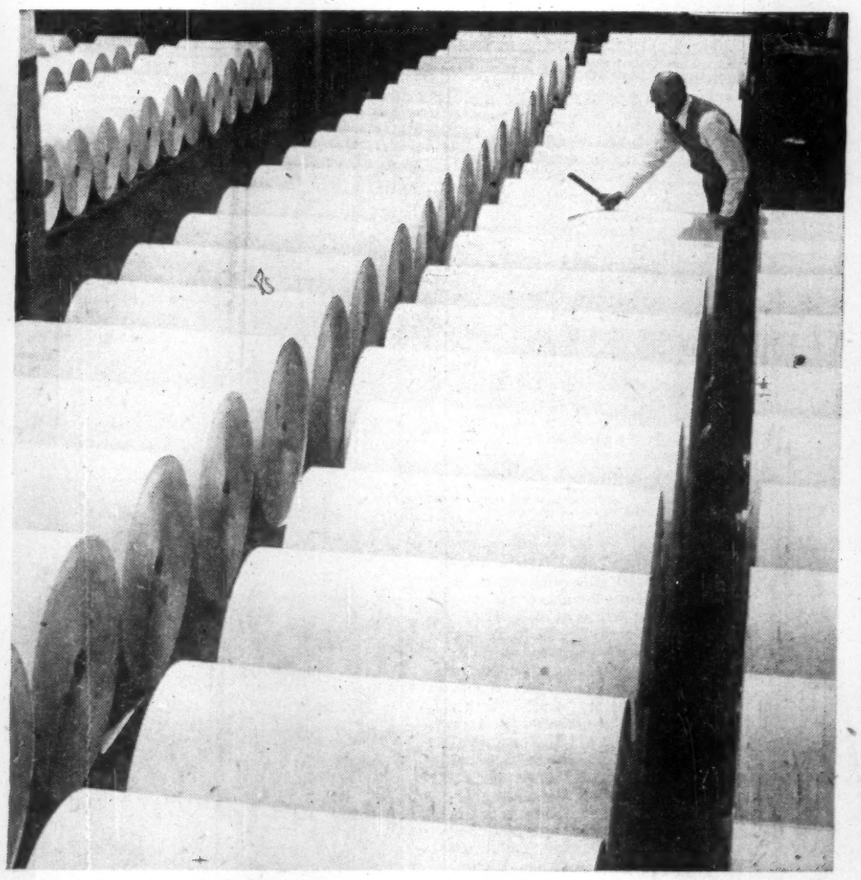
In this report, The Financial Post talks about where this key industry has been, and, more important for every Canadian, where it is going.

Over white water . . .

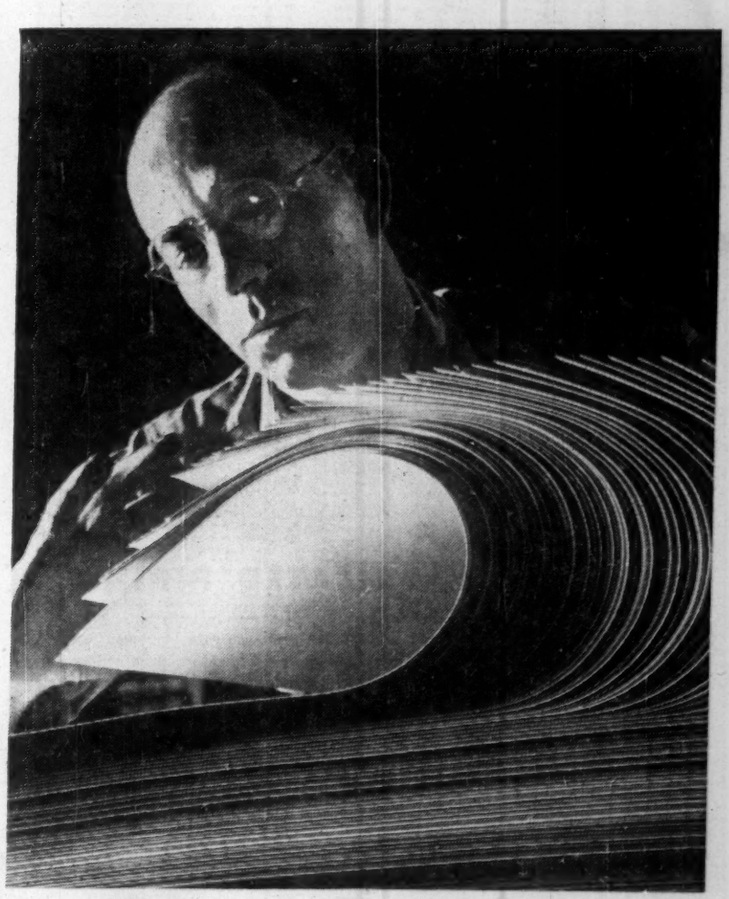
To men and machines . . .

Of a giant industry . . .

From wood to pulp . . .



To rolls of newsprint . . .



Or varied end use.

$100 Millions More for West Coast

Emphasis Continues on Expansion for B.C. Pulp and Paper

With projects under way representing an investment of substantially more than $100 millions, and with two more major undertakings likely to be initiated in the near future at a cost of some $60 millions, emphasis continues to be on expansion in British Columbia's pulp and paper industry.

Operators on the West Coast have been in the happy situation of having an apparently insatiable market for their product at reasonably high prices and an abundance of raw material at their command, with facilities for processing that can hardly be duplicated anywhere else in the world.

Added to these advantages are such factors as cheap power, plenty of water, tidewater shipping facilities and stabilized labor.

The industry in British Columbia has always enjoyed labor harmony in the mills, with a few very rare exceptions some time ago, but in the woods, where the raw material for pulp and paper mills is harvested and shipped, there have been occasional conflicts with the resultant stoppages and interruptions in supply. But this year an almost unprecedented thing happened: Woods labor signed a wage agreement with the operators covering, not one, but two years. In other words, the industry can look forward to at least two years of labor peace in the forest, and for this privilege it was necessary to make only a slight increase in the scale of pay.

With this labor agreement tucked away and in consideration of all the other favorable conditions noted, pulp and paper producers in British Columbia this year have had every reason to be relatively contented. The stock market has reflected this situation, and every company listed on the board in any exchange has enjoyed considerable appreciation in share values during the past year. This indicates not so much that the operators are cheerful but that the public has learned to regard pulp and paper securities of British Columbia companies with approval.

In Public Confidence

One of the leaders in the industry here was asked recently whether he attributed the rise in pulp and forest product securities to inflation. He admitted that inflation was probably responsible in part, but he added:

"The basic reason for the improved market for pulp and paper securities is the fact that the industry has won the confidence of the public. A few years ago the industry lacked the stability and the public support that it enjoys today. The demand for pulp and paper isn't intangible; it is something that everyone can appreciate regardless of his calling or occupation. Anyone can see for himself the growing consumption of all forms of paper and board—the product of the pulp mills, and he can see for himself the size and importance of the individual mills that are being built to gratify the demand that he has helped to create."

The favorable factors surrounding the production of pulp and paper on Canada's West Coast have been recognized not only by the operators themselves and the public that follows the market but by the giant corporations that represent the leadership in the industry's activity elsewhere. One of the most notable trends of the past few years has been the acquisition by big U. S. companies of an interest in British Columbia pulp and paper manufacturing.

In some quarters this development has caused criticism from those who deplore the transfer of ownership in Canadian resources to outsiders, but in almost every instance it has been a case of U. S. capital entering the field when Canadian capital was not ready or available in sufficient amount to carry on expansion, and without exception there has been little or no important change in personnel or operating technique, except that in some cases the existing mills have received the advantage of more extensive and more highly developed research and marketing facilities.

Powell River Co., although originally financed by Americans, has had its roots in the Canadian economy so long that no one questions its ownership or origin. It is in every sense a Canadian company, but it did set the pattern 45 years ago for the investment of U. S. money in a British Columbia industry. Crown Zellerbach entered the picture almost as early, although its roots were always in the U. S. and its interest in Pacific Mills at Ocean Falls, later to be welded into the Crown Zellerbach Canada group, was small in a relative sense.

All "Grants" Represented

More representative of the new trend was the advent of Celanese Corporation of America with its $40 million investment in the high alpha pulp mill at Prince Rupert, now a part of the Canadian Chemical & Cellulose Co., which in turn is a Celanese subsidiary. This development dates back to less than ten years ago.

Another indication was Rayonier Inc. and its purchase of 80% of the stock of Alaska Pine & Cellulose from the Koerner interests of Vancouver and Abitibi Power & Paper Co., two groups which had joined forces only two years previously. Rayonier is one of the larger pulp companies in the U. S., with mills in the Pacific Northwest and Southeast.

Then there is the recent illustration afforded by Scott Paper Co., which acquired control of Westminster Paper Co., hitherto a family concern with some stock held by the public, which operated a progressive tissue and specialty mill at New Westminster.

Scott Paper Co. is fifth among the pulp and paper manufacturers in the U. S., and it is interesting to note that all five of the U. S. giants in this industry are now prominently represented in Canada. Canadian International Paper Co.'s affiliations, of course, have been well known for many years. Their plants are in eastern Canada. Crown Zellerbach, the No. 2 company has a growing stake in British Columbia, with its ownership of the Ocean Falls mill, Elk Falls Co. and Canadian Western Lumber Co., all expanding. The No. 3 company is Kimberly-Clark, and it has played a major role in the Canadian industry at Kapuskasing, Ont. The No. 4 spot is held by St. Regis Paper Co., which is now building, in co-operation with North Canadian Oils, a large pulp mill at Hinton, Alberta.

Practically every one of the companies operating in British Columbia has an expansion program at present under way. The biggest is being carried out by a thoroughly Canadian company, MacMillan & Bloedel, which in addition to its extensive operations in lumber, plywood and shingles, has two large pulp mills and is now building a newsprint mill.

MacMillan & Bloedel is rapidly becoming one of the world leaders in forest industry integration, and at Port Alberni it is fashioning what will soon become one of the most imposing forest industry centres, with high production of newsprint, bleached and unbleached kraft pulp, liner board and kraft paper as well as the products of its sawmills and plywood and shingle plants. It already ranks with such famous centres of wood processing integration as Gatineau, Longview and Cloquet, Minn.

The MacMillan & Bloedel newsprint mill will have a daily productive capacity of 300 tons, with provision for a second machine when warranted by market and other conditions. The unbleached kraft pulp mill's capacity will be increased 100 tons a day to a total of 350 tons. A multi-purpose coarse paper and board machine with daily capacity of 100 tons is also being built and the over-all project includes a deepsea wharf which in itself will represent an outlay of more than $1 million.

Growth On Island

Crown Zellerbach Canada has authorized expenditure of $28.5 millions at its Elk Falls Co. subsidiary at Duncan Bay, near the mouth of the Campbell River on Vancouver Island. This will be carried out in two stages, and contracts for the first have already been awarded.

A new paper machine costing $7.5 millions, installed and designed to increase production of newsprint by 50%, is a major part of the company's accelerated expansion program, and this is in addition to construction of a $15 million kraft pulp mill already under construction. The new paper machine will have an annual productive capacity of 50,000 tons of newsprint, and bleached, semi-bleached and unbleached kraft paper, primarily for the domestic market. The present machine capacity at Elk Falls is 100,000 tons a year. A sawmill is also to be built, marking a departure from purely pulp and paper manufacturing operations at this centre, which incidentally will some day become the scene of integrated utilization similar to Port Alberni on the west coast of Vancouver Island.

Crown Zellerbach will also redesign the pulp mill originally planned so as to increase its capacity from 400 tons to 500 tons daily. A bleach plant with a daily capacity of 175 tons is also to be built, this being required to furnish bleached and unbleached kraft pulp for the grades of paper to be produced on the new paper machine. A substantial addition is also to be made to the present groundwood mill at Duncan Bay.

"Since the inception of our Duncan Bay mill," says Frank N. Youngman, chairman of Crown Zellerbach Canada, "there has been the understanding that kraft pulp capacity would be added, and that additional paper machine capacity would be installed as soon as the domestic market would absorb production. That time has now come."

The new paper machine for Elk Falls Co. is scheduled to go into production by July, 1957, by which time the re-designed kraft pulp mill will also be in full operation.

Capital expenditure for expansion in Canada last year totaled more than $8 millions, bringing net investment in Crown Zellerbach's properties in Canada after depreciation, to more than $58 millions, or 32% of Crown's total net investment in properties in Canada and the U. S. The magnitude of the British Columbia operations is clearly indicated by their relationship to the total investments of the second-ranking corporation in the U. S. pulp and paper industry.

Integration Programs

As in the case of MacMillan & Bloedel, Crown Zellerbach has been aiming, through integration, to achieve maximum economic utilization of its wood resources, and the same objective is being sought by other companies which may not be engaged in such diversified production.

Powell River Co., for instance, is essentially a newsprint manufacturer, even though it does produce a large quantity of sulphite pulp for the open market. But by acquiring sawmills Powell River Co. has been able to make good use of its wood. The material best suited to saw log production goes to the sawmills; that which is better adapted to pulp manufacture goes to the paper mill.

Already rated as the world's largest single-unit manufacturer of newsprint, Powell River Co. is currently engaged in the installation of a ninth newsprint machine which will, of course, add substantially to its production.

Alaska Pine & Cellulose, through its new relationship with Rayonier, is expected to engage in a general program of development far in excess of its present program at Port Alice, where it operates one of its two rayon pulp mills. More than $8 millions is being spent in modernizing and enlarging this mill, and the company is also planning early construction of a plant near Vancouver to manufacture from wood waste a material effectively used in oil well drilling. This product is already being made by Rayonier in the U. S. and it represents one of the many byproducts which Rayonier research will enable Alaska Pine to produce for the market.

Canadian Forest Products, founded originally with European capital although it is in every sense a Canadian organization, is also engaged in improving its semi-bleached kraft pulp mill at Port Mellon. Columbia Cellulose Co. has been installing new facilities at Prince Rupert, and lesser changes and improvements are under way at Westminster Paper Co. and Sidney Roofing & Paper Co.

Sidney Roofing & Paper Co., which is owned by E. B. Eddy Co., plans to expand by establishing a manufacturing unit on the mainland of British Columbia before the year-end. Up till now the company's plant operations have been confined to Vancouver Island, where R. W. Mayhew, former member of the Canadian cabinet, started the business with a re-establishment loan after World War I.

New Plants Expected

While it is generally expected that several new pulp and paper mills will be established in British Columbia during the next decade, the most likely to be initiated in the immediate future are those of B.C. Forest Products, Kitimat Pulp & Paper Co. and Celgar Development Co.

E. P. Taylor, chairman of the board, B. C. Forest Products, has already announced his company will build a pulp mill on Vancouver Island, and since then Crofton, on the east coast of the island, has been selected as the site. W. W. Holland, who has been directing operations of Oxford Paper Co. at Rumford, Maine, has been appointed vice-president of the pulp division, so there is no doubt that the company means business, and it is expected that a more detailed announcement of the company's plans will be made within a short time. It is understood that the proposed mill will have a capacity of about 250 tons of bleached kraft pulp daily.

B. C. Forest Products has a good physical setup for a pulp mill because it has four large sawmills strategically placed and extensive forest lands, which were recently augmented through the granting of a forest management license by the provincial government involving timber on the west coast of Vancouver Island. B. C. Forest Products is the only remaining major lumber producer in British Columbia without a pulp mill, so its entry into that field is regarded as a logical one.

When Kitimat Pulp & Paper Co. will build its mill may continue to be uncertain for some time now that Powell River Co. is proceeding with expansion in its home territory. The Kitimat project represents a partnership of Powell River Co. and Aluminum Co. of Canada, and the idea was that by joining forces both groups would benefit — Alcan having abundant surplus power and Powell River Co. having access to excellent pulp timber in the area as well as a ready market for everything it could produce.

However, when this venture was launched the general impression was that Powell River Co. had just about exhausted its power potential at Powell River and that it could increase production on a large scale only by establishing another mill. But, Powell River Co. made a deal with B. C. Electric for additional power to be delivered by transmission line from Bridge River and the new paper machine now being installed will be driven by this power. Whether, in the face of this expansion Powell River Co. will feel like proceeding with the much more ambitious Kitimat development at this time remains to be seen. This project, like Celgar Development's, may be expected to move rather slowly.

Work on the Celgar Development Co.'s pulp mill at Castlegar (Celgar is a subsidiary of Canadian Chemical & Cellulose, a Celanese Corp. subsidiary) need not start until March 1, 1958, and the completion date has been set at March 1, 1961. While nothing prevents this company going ahead with construction at once, it would seem that it will not be in a hurry, even though it may not take full advantage of the long leeway granted by the provincial government in return for the company's commitment to a forest management license covering 857,000 acres in the Columbia River-Arrow Lakes region.

The Celgar project has been slightly watered down from the original conception. When first discussed about three years ago, Celgar planned to spend some

(Continued on page 43)

How the Industry Has Grown

Here's the growth of the pulp and paper industry over the last 84 years:

	Pulp and Paper Mills	Total Employees	Gross Production
1871	21	760	$ 1,071,651
1881	41	1,588	2,509,993
1891	58	2,817	3,633,257
1901	53	6,236	8,627,557
1911	72	9,766	23,226,479
1921	100	24,619	151,003,165
1931	103	26,669	174,733,954
1941	106	37,154	334,726,175
1945	109	39,996	398,805,505
1946	113	44,967	527,814,916
1947	115	49,946	706,971,628
1948	117	51,924	825,857,664
1949	123	52,050	836,148,393
1950	123	52,343	954,137,651
1951	126	57,291	1,237,897,470
1952	128	57,803	1,157,887,657
1953	130	58,194	1,179,665,443
1954 (est.)	130	62,000	1,200,000,000
1955 (est.)	130	63,000	1,280,000,000

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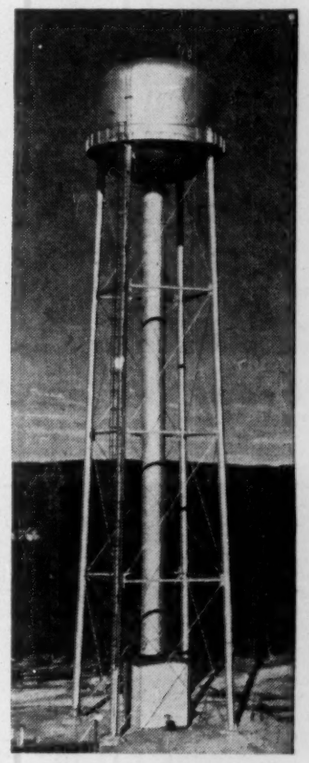

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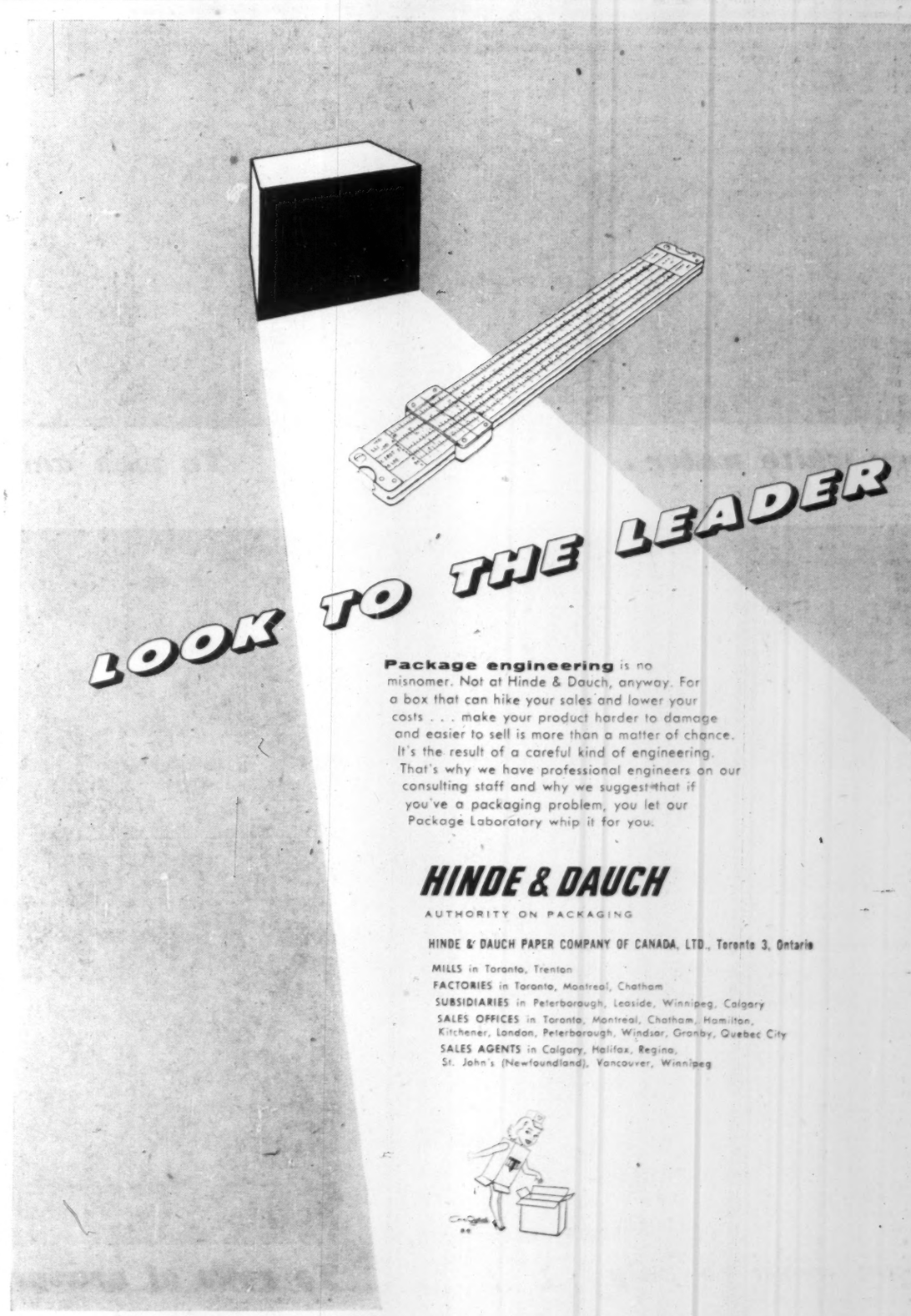

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B.C. Pulp, Paper On $100 Million Expansion Round

(Continued from page 42)

$65 millions on a fully integrated operation, including pulp and newsprint mill, plywood and sawmills, etc. Application was made for a forest management license covering some two million acres.

The modified program now contemplated seems more realistic under present economic conditions and, when in operation, the Celgar 300-ton pulp mill to cost some $30 millions will be the first mill of its kind to be built in the interior of British Columbia, all the others being located on tidewater. The mill will command access to a vast area of timber that at present is being used conservatively for small sawmills in that region. Celgar is indeed already the largest producer of lumber in the area, having acquired several mills as a preliminary to entering the field on a more expanded front.

Castlegar, which at present is little more than a village at an intersection leading to Trail, operating base of Consolidated Mining & Smelting Co., will become a commercial and residential community serving about 425 employees of the projected pulp mill and the existing Celgar sawmills. The new plant will occupy a 500 acre site on the Columbia River three miles west of Castlegar.

It is estimated that requirements of the Celgar mills will give full-time employment to more than 500 men in the woods, and many more will benefit from part-time woods employment and from the fact that the company will follow a policy of buying pulpwood from independent loggers in the district, and from farmers and settlers.

The Celgar mill will also provide a market for pulp chips that will be produced at various sawmills within range of the pulp plant.

New Use For Chips

The "chip revolution" that has affected British Columbia's forest industry during the past few years has been one of the most beneficial developments since it has enabled many of the smaller mills to make profitable use of material that would otherwise be wasted while at the same time adding to the supply of chips for the pulp mills.

Chip-laden barges being towed from sawmills to pulp mills have become a familiar sight along the British Columbia coast, and this is a traffic that has grown to substantial proportions only within the past few years, especially since the establishment of large pulp mills on Vancouver Island.

A decade ago the mills on the north shore of Burrard Inlet, opposite Vancouver—all comparatively small — were obliged to burn or otherwise destroy the wood they could not market as lumber. Today, most of these mills have installed chipping machinery and chips are loaded direct onto barges to be towed to the pulp mills.

The sawmills belonging to the B. C. Lumber Manufacturers Association—about 60 — last year produced over 860,000 units of pulp chips, enough to produce approximately 370,000 tons of chemical pulp. This amount of chips is roughly the equivalent of some 340 million board feet of logs, so the economic importance of this development may readily be grasped. Not only has this "revolution" created a tidy profit for many mills that might otherwise be dependent solely on the vagaries of the lumber market; it has reduced costs of production for the pulp mills by creating a new source of supply at relatively low cost, making it possible for the pulp mill operators to concentrate on mill operation rather than have to produce their entire chip supply themselves from their own logs.

In speaking of the rising importance of pulp chips in the sawmill economy, L. L. G. Bentley, president of the B. C. Lumber Manufacturers Association, says that an even bigger production of chips will be reported this year. "This new form of utilization", says Mr. Bentley, whose Canadian Forest Products operates some of the largest wood processing plants on the coast," has undoubtedly raised the value of logs and the price of stumpage received by the government very materially. It is always risky to mention figures, but I would conservatively estimate that hemlock logs on the Vancouver market would have to sell for at least $8 and fir logs at about $6 less per thousand board feet without this new development."

Await Forest "Formula'

This is only one of a great many new factors that affect British Columbia's forest economy today but did not apply ten years ago when Chief Justice Gordon Sloan undertook his first investigation of the forests and the industries that depend upon them. The whole pattern of operation has changed since then, and that is the basic reason for the second Sloan inquiry, now under way.

The chief justice is expected to bring down a report some time next year, based on his exhaustive survey of all phases of the industry, and suggest a formula for successful management of the forest in the new era that has come about so suddenly.

One of the fundamental reasons for the major changes that have occurred is the report which Mr. Justice Sloan made following his first inquiry. At that time he recommended that forest affairs be placed in charge of an independent commission free of political and other influences. This was rejected by the coalition government then in power and present Social Credit government did not look any more favorably upon it. But the proposal for a system of forest management licenses did win immediate support. The coalition drafted the framework of the legislation now governing this phase of forest administration, and it has been followed by the present administration. It is largely the conception of Deputy Minister of Forests C. D. Orchard, who is also chief forester, but it was drawn up substantially on the framework suggested by the Chief Justice.

The general idea of this plan is to permit timber users to augment their supply of raw material by supplementary forest acreage from the government's reserves to create a pool for long-term exploitation on a sustained yield basis. This has naturally favored the interests with large processing plants such as pulp mills where big investments are required for permanent plant operation. Small operators would not need such vast supplies of timber, nor could they afford to pay for the plants required for their successful utilization.

The theory behind the license is that while, under the old system, a company with a plant would have timber sufficient to maintain operation over, say, 10 years, it would be able to carry on indefinitely by having access to adjacent government timber since with so much timber available it could regulate the annual cut that it would not in any one year exceed the normal rate of growth of the forest.

In other words, here was a plan which theoretically would encourage large industries to establish on a permanent basis while at the same time safeguarding the province's forest domain and ending for all time the destructive out-and-get-out form of liquidation that used to be practised by some operators. It would also tend to reduce the intense competition for timber among various companies and discourage hasty cutting of timber in any given area.

The program has worked out pretty well as it was envisioned so far as encouraging big industry is concerned. The mills have been built as was hoped for, the first license issued being for the pulp mill established by the Columbia Cellulose Co. at Prince Rupert, the second being for the newsprint mill built by Elk Falls Co. at Duncan Bay. Since then nearly all the major companies have applied for forest management licenses, and expansion of MacMillan & Bloedel, the decision of B. C. Forest Products to enter the pulp field and Celgar's undertaking to build a mill at Castlegar have all been directly attributable to the forest management program.

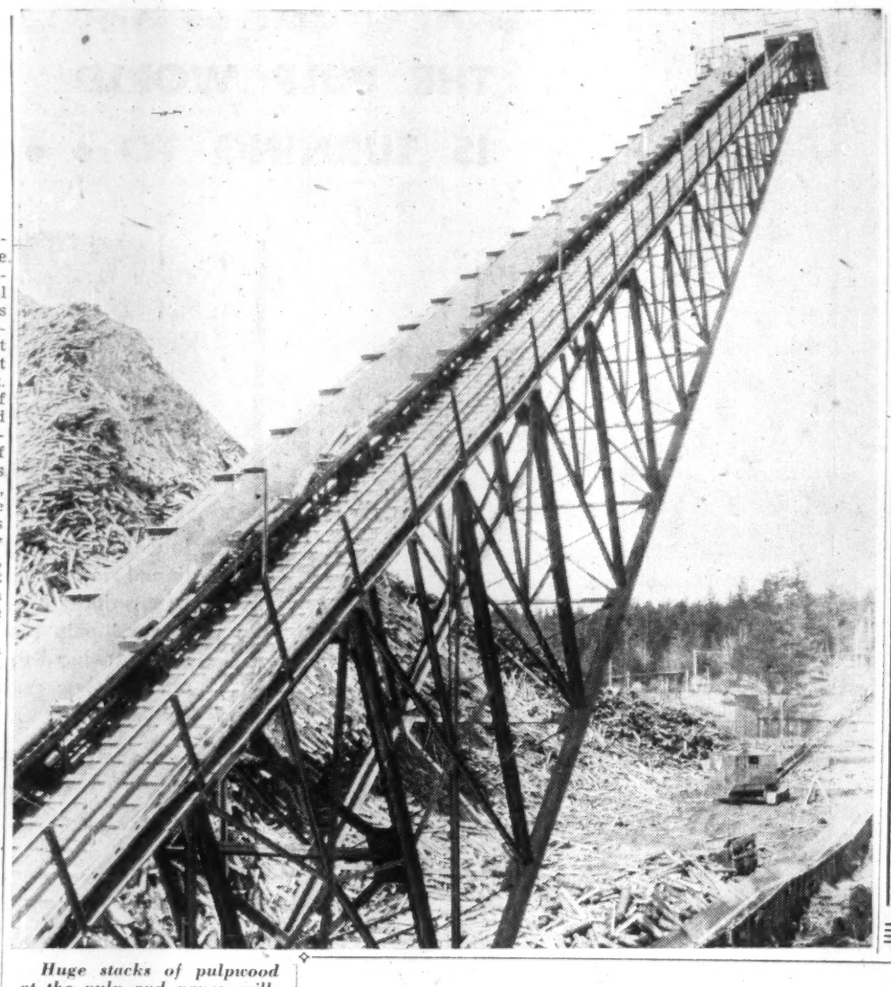
Small Operators Critical

But the program hasn't been without its severe critics. Most of the opposition has been from the smaller loggers and sawmill operators who claim that they are being frozen out by the big fellows; that they are squeezed between forest management license areas obtained by the pulp producing companies and their allied plants.

The most outspoken champion of the opposition has been Gordon Gibson, himself a logger, who resigned his seat in the legislature at its last session in protest over the government's forest management policy. He made this protest the main issue in his fight for re-election in the Lillooet by-election and has charged the government with "insulting" Chief Justice Sloan by issuing new licenses while the inquiry into the whole system of forest management is in progress. Mr. Gibson is one of those who believe that when the Chief Justice has finished his present survey, some modifications of the present plan will be recommended and that it is therefore a mistake to issue more licenses while the matter is in a sense sub judice.

While the Sloan inquiry has been under way for several months, with a long summer intermission, few of the spokesmen for the larger companies have so far been heard. One man who has gone on record as commending the present plan is H. R. MacMillan, chairman of the board of MacMillan & Bloedel, who was chief forester of British Columbia before World War I. Mr. MacMillan will probably testify during the fall and his evidence will be of very great interest. Whether he will suggest any changes in the present structure of legislation is something that can, of course, only be guessed at now. Many other experts will be heard too, and there is little doubt but that the new Sloan report will mark another significant era in forest administration while at the same time setting the future course of development for the pulp and paper industry west of the Rockies.

There can be little doubt that there is more stability in the forest industry in British Columbia than ever before, and it is obvious that the growth of the pulp and paper industry has been the No. 1 reason for this happy condition.



Huge stacks of pulpwood at the pulp and paper mills are a common sight across the country. Generally, it is trees of lesser diameter that furnish pulpwood. For the most part, logs that could never make anything but poor lumber are the raw materials of the mills. There are vast areas of mature forests where the trees have not attained, and never can attain sizes suited to the manufacture of good lumber. Such trees make good pulpwood and their utilization has increased enormously the wealth of our forests.

The pulp and paper mills have provided a year-round employment and market that did not prevail before. They have contributed enormously to the province's revenue and built up a major export trade.

In 1945, the last year of World War II, the value of production of pulp and paper in British Columbia was $33.7 millions. Last year this had grown to $156 millions, compared with a ten-year average of $91 millions, and this year will show another impressive increase.

That the industry will continue to grow in British Columbia, increase production and attract more capital investment is generally apparent. So long as market demand maintains anything like its present tempo, the industry will turn to a province such as this because so many of the essential elements are available —abundance of wood, water, power, skilled labor, advantageous mill locations, growing population, desirable climatic conditions.

Whether the industry is passing into the hands of a few big companies at the expense of others is something that may be determined at least in part by the Sloan Commission. Certainly the recent trend towards expansion of the existing companies, towards greater capital investment, has given the industry a new and welcome stability.

Recently there has been some question as to whether the influx of U. S. capital has been a good thing for the industry and this, of course, will remain a question of personal opinion. Regardless of the origin of the capital behind British Columbia's pulp and paper industry, the companies collectively have maintained a progressive outlook and have set an example for business in general in efficient management.

Speaking on this recently in Vancouver, J. D. Zellerbach, of San Francisco, president of Crown Zellerbach Corp., said: "American companies, motivated by progressive philosophy, can contribute significantly to Canada's development and also promote Canadian public interests. Such companies operate on the principle that what's good for Canada is good for the company. Such companies try to be good Canadian citizens rather than schizophrenic personalities with divided loyalties and interests. The progressive American company rejects exploitation, it manages Canadian natural resources for the long-range benefit of the Canadian economy—for it expects to stay in Canada for a long time.

Pulp and paper after all, is an international business and the experience of British Columbia bears this out. Much of its capital is from Europe as well as from Canada and the U. S. The industry's executives are similarly representative and they have set no restriction on where to buy the best equipment and processes.

British Columbia engineers are designing and building pulp mills in Europe, Asia, Central America and Australasia as well as in Canada and the U. S. And the product of all this investment in money, machinery and know-how — B. C. pulp and paper — has found its way into the markets of the world.

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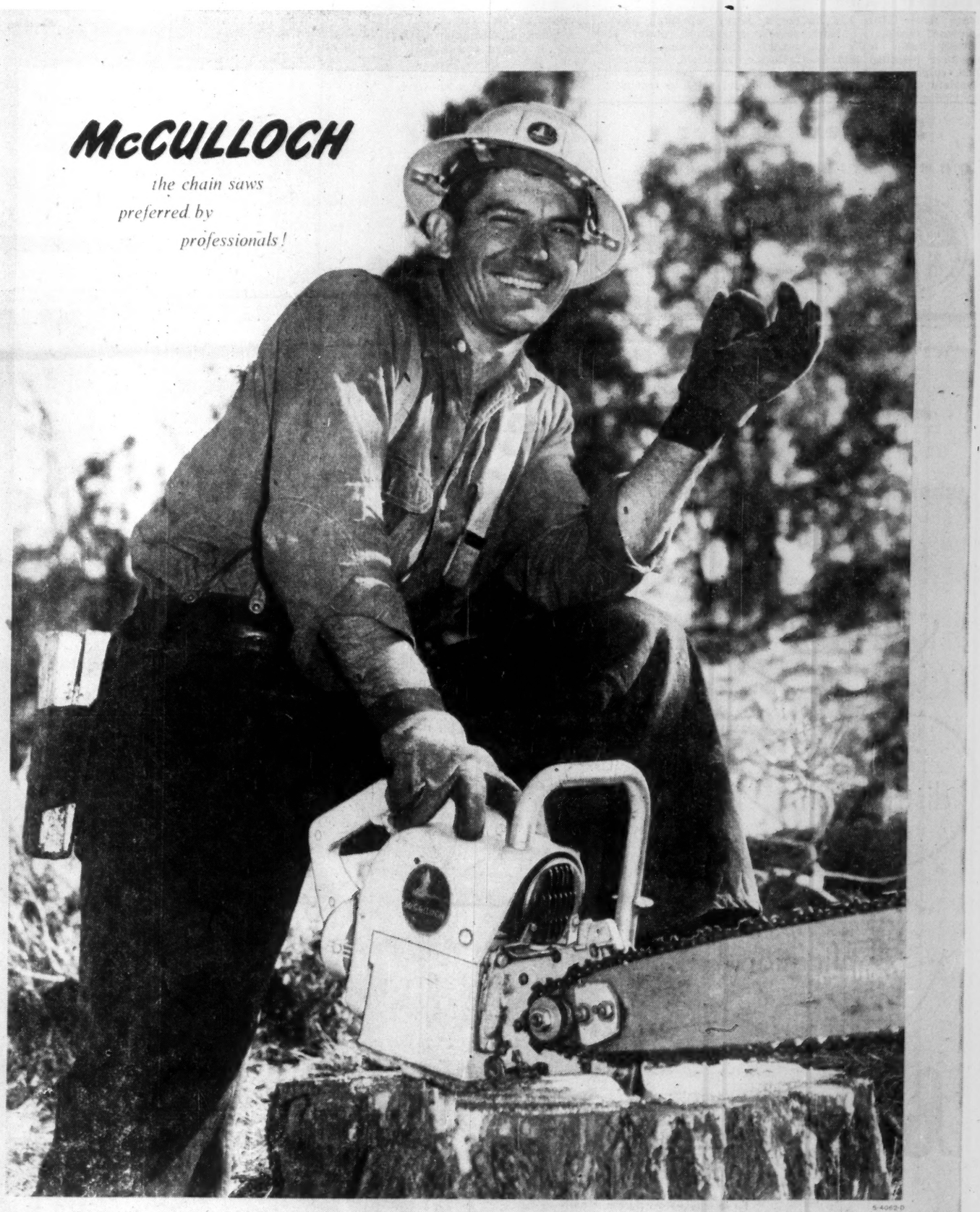

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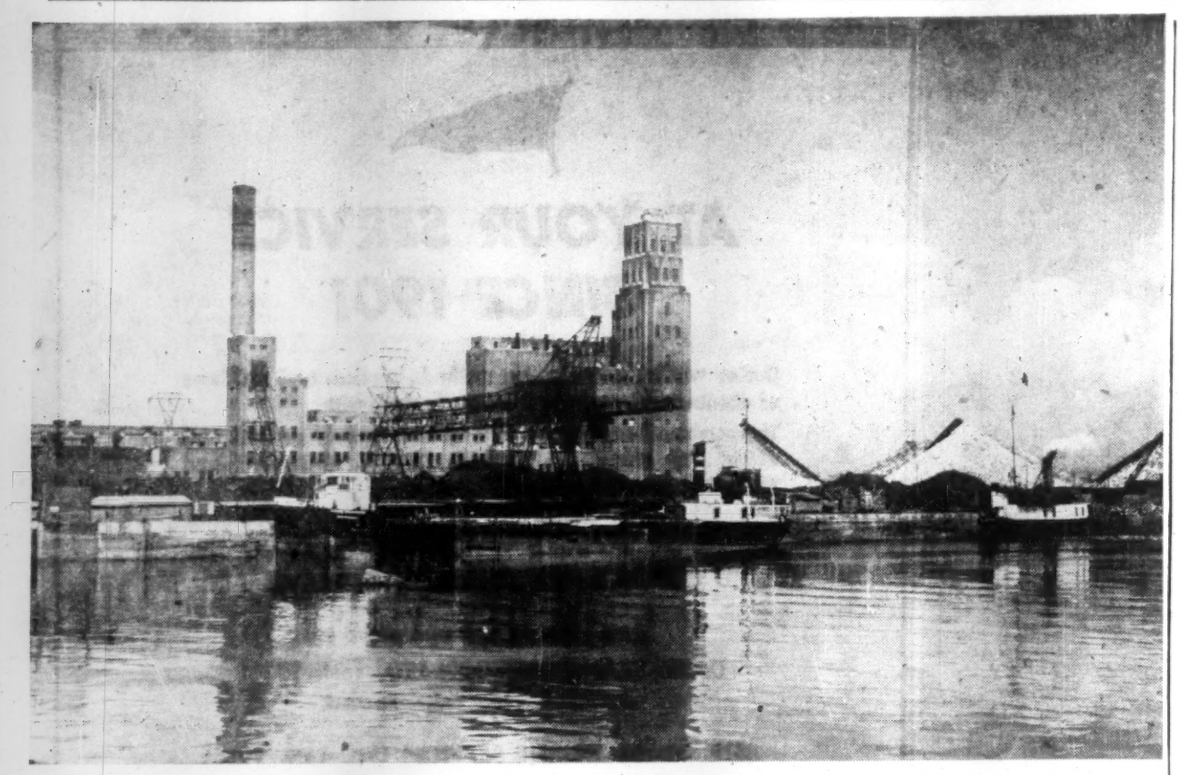

CANADA'S pulp and paper exports run close to one billion dollars a year. Location of several mills on tidewater has helped develop this business. Newsprint and pulp are the major items in our sales to other countries, partly because they are the least restricted by tariff barriers and import restrictions.

Here's Record of Fine Paper Firms

Alliance Paper

Alliance Paper Mills Ltd., a wholly owned subsidiary of Howard Smith Paper Mills Ltd., manufactures bleached and unbleached sulphite pulp and a wide variety of paper products. Its Merritton, Ont., paper mills manufacture tag and folder stock, board, heavy wrapping papers, covers, specialties, poster and blanking stock, waxing paper and cellucine, manifold, carbonizing and onion skin, greaseproof and glassine and sulphite specialties.

A sulphite mill producing bleached and unbleached sulphite is also operated at Merritton.

A plant at Georgetown, Ont., produces coated stocks such as book, litho, label, tag, stock, board, flour sack paper and other specialties. Through a subsidiary, the Don Valley Paper Co., Toronto, it manufactures bags, cover, blotting and many specialty papers and Bristols.

Another Alliance subsidiary, Lincoln Pulp & Paper Co., holds under Crown lease 191 square miles of timber limits at Little Cascapedia, Que.

Total annual capacity of the plants is as follows: two paper mills with three Fourdrinier machines—20,000 tons; one cylinder machine—20,000 tons; a sulphite pulp mill—32,000 air dry tons; a coating plant—9,000 tons.

Flood damage to the Don Valley mills, a result of hurricane "Hazel," amounted to about $70,000 in addition to a loss of 10 days' production.

Financial and operating statistics are consolidated with those of Howard Smith Paper Mills Ltd., also in the fine paper section.

Eddy Paper

Eddy Paper Co. is an investment and holding company whose wholly owned subsidiary, E. B. Eddy Co. (see separate writeup), operates an integrated pulp and paper organization manufacturing and distributing a wide range of paper products.

The parent's capitalization includes 200,000 Class A $1 cumulative $20 par shares and 200,000 npv common shares outstanding. All the common outstanding are owned by J. R. Booth Ltd.

Consolidated net profit for 1954 was $1,321,652, 53.3% higher than consolidated net for 1953 of $862,161.

E. B. Eddy Co.

E. B. Eddy Co. is the operating subsidiary of Eddy Paper Co. The company sells most of its newsprint output under long-termed contracts. Other products are distributed in Canada through the company's own sales organization or in the U. S. and overseas. It produces a wide range of paper products including fine papers, newsprint and paperboard.

It owns plants on the Ottawa River at Ottawa, Ontario, and Hull, Que., with a combined rated capacity of 150,000 tons per annum of finished products. It owns three hydro-electric plants at the Ottawa River at Chaudiere Falls which supplies about 60% of the company's power requirements. The balance is supplied by Gatineau Power Co.

It holds timber limits, leases and licenses to more than 5,800 sq. miles, of which about 4,000 were acquired from J. R. Booth Ltd. These provide an estimated potential perpetual yield of 160,000 cords per annum. Timber reserves are conserved through purchase of about 50,000 cords annually of private land woods. Present annual consumption is approximately 200,000 cords. Bulk of the timber resources is located in the Gatineau and Ottawa River watersheds, permitting use of those rivers for driving logs to the mills.

Parent company showed consolidated net profit for 1954 of $1,321,652, 53.3% higher than consolidated net for 1953 of $862,161.

Statements included earnings and assets of Sydney Roofing & Paper Co., a partly owned subsidiary, for the first time. Company owns 82% of the capital stock of Sydney Roofing including all Class B voting shares.

Capital expenditures in 1954 were $4.8 millions of which $4.7 millions went in production and converting facilities and the remainder on woodlands equipment and installations. The program of expenditures for the next two years calls for some $5 millions in Eddy plants. Sydney Roofing also will build a $4.3 millions plant and office building with proceeds of recent new and refunding issue of $7 millions bonds. A new tissue paper machine was brought in production in August of 1954 in the Hull mill of E. B. Eddy and tissue converting facilities were modernized. Cost was $4.5 millions. As a result, sales were greatly increased.

In May, this year, an issue of $5 millions for mortgage bonds, 1955 series of E. B. Eddy Co. was sold. Proceeds will be used to retire about $4 millions of notes payable, and the balance for general purposes.

Combined annual capacities expected to be increased to 155,000 tons annually of finished products from eight machines. Present

(Continued on page 48)

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Machinery used for producing plywood from lumber by Commonwealth Plywood Co., Ltd. at Ste. Thérèse, Quebec, is lubricated with Shell Alvania Grease.

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SHELL OIL COMPANY OF CANADA, LIMITED

Here Are Progress Reports On Wood Pulp Firms

Abitibi

Abitibi Pulp & Paper Co. directly and through subsidiaries manufactures newsprint, sulphite pulp, printing and fine papers, and paperboard. Mills producing these are maintained at Iroquois Falls, Sault Ste. Marie, Fort William, Port Arthur, and Smooth Rock Falls, Ont.; Pine Falls, Man.; and Beaupre, Que.

Last year Abitibi produced 63,617 tons of bleached sulphite pulp (57,835 in 1953). These figures are exclusive of production for company and its subsidiaries.

The world market for wood pulps continued to be unsatisfactory, said President D. W. Ambridge in his report. However, there are signs that world prices are firming and there have been increases in some grades.

For the main report on Abitibi see the newsprint section.

Alaska Pine

Alaska Pine & Cellulose Ltd. is a producer of high alpha dissolving and bleached sulphite pulps, 90% of which is used in the manufacture of rayon and staple fibre, the balance in fine paper making.

Company operates two cellulose mills, one at Woodfibre on Howe Sound, B.C., and the other at Port Alice, B.C. Combined annual capacity is 150,000 tons.

Through subsidiaries and associate companies, company operates one of the largest lumber operations in Canada. There are sawmills at New Westminster, B.C., Vancouver, and Cowichan Lake, B.C. Total combined capacity is 260 million board ft. of timber. There are also two shingle mills with 20 machines in all.

Company is now controlled by Rayonnier Inc. of New York. During 1954 Abitibi and the Koerner interests of Vancouver each sold 40,000 common shares of Alaska Pine & Cellulose to Rayonier. Each company retained 10,000 shares which may be purchased by Rayonier up to Dec. 31, 1957.

Consolidated net profit of $1,840,524 for 1954 was 69.7% higher than 1953's $1,084,726. Net sales were $37,869,139, 3.3% higher than $36,676,275 in previous year.

Accounts of Puget Sound Lumber & Timber Co., in which the company had an equity of 78% at Dec. 31, 1954, have been consolidated. The company's equity in Western Forest Industries Ltd., as shown by the balance sheet of that company dated Sept. 30, 1954, exceeded investment in shares by $1,211,252. The equity in earnings for 1954 was $210,414. No dividends were received from Western Forest during the year.

Earnings per share in 1954 were $111.55 ($65.74 in 1953) on the preferred stock, and $17.58 ($10.02) on the common. Dividend of $5 was paid on the preferred shares ($2.50 in the previous year) and for the third year in succession no dividend was paid on the common.

Capitalization outstanding at Dec. 31, 1954, consisted of $12,270,000 4½% sinking fund bonds, series A, due 1966, which were called for redemption in May and September, 1955; 1,650,000 5% cumulative preferred stock, $100 par; and 100,000 npv common stock.

Anglo-Canadian

Anglo-Canadian Pulp & Paper Mills Ltd. produces unbleached sulphite pulp at its Quebec City mill.

Annual capacity amounts to 77,000 tons in excess of capacity requirements for newsprint. Actual production in 1954 amounted to 58,700 tons of saleable unbleached sulphite pulp—against 53,387 tons in 1953.

For the main Anglo-Canadian coverage see newsprint companies.

Bathurst

Bathurst Power & Paper Co. produces unbleached sulphite pulp for sale at its Bathurst, N.B., mill. Rated annual capacity is 24,000 tons. It also produces kraft pulp and semichemical pulp for its own use.

The semichemical pulp mill uses hardwood as a raw material for the manufacture of BCM (a new type of corrugating board).

Selling prices of the mills division remained constant in 1954. Pulp prices remained low in relation to cost of production in spite of the $5 per ton increase in the selling price of unbleached sulphite pulp effective from Jan. 1, 1955. Demand for unbleached sulphite continues to be susceptible to fluctuations in demand, the annual report said.

Total production by company mills during 1954 was 157,579, a new record, against 136,418 tons in 1953. Output of the pulp mill was 19,132 tons as against 11,681 tons. Consolidated net profit for 1954 amounted to $2,962,283, a sharp 50% higher than $1,974,797 in the previous year.

For the main writeup on this company see section covering paperboard mills.

Bowater's Nfld.

Bowater's Newfoundland Pulp & Paper Mills Ltd. produces a large amount of sulphite pulp at its Corner Brook, Nfld., newsprint mill.

It owns a 150-in. sulphite pulp drying machine with an aggregate daily capacity of 175 tons, or about 55,000 tons per annum. Company has about 30,000 tons of sulphite available for sale annually.

At Corner Brook, a line of four new grinders will be installed to add to the supplies of groundwood pulp, and by still further developing the high-yield sulphite pulping process the output of the pulping plant will be raised and, by shortening the duration of the cooking process, a reduction in the volume of wood and the quantity of chemicals consumed in the making of a given tonnage of sulphite pulp will be achieved.

Nearly the entire production of the company has been sold under long-term contracts, with the bulk of sulphite pulp and pulpwood going to associated mill companies in Britain.

Beverly

Beverly Pulp & Paper Mills Ltd. was formed early in 1952 to replace Edmonton Pulp & Paper Mills Ltd. which had planned to build a newsprint and dissolving pulp mill in Edmonton. Part of the foundation was completed in the fall of 1950. Since then problems have come up regarding power and water supplies. A new site, President R. O. Sweezey told The Post, is under consideration. Work on the plant is not likely to begin for another two years.

Brown Corp.

Canadian properties of Brown Corp. were acquired by Canadian International Paper Co. Dec. 1, 1954. Properties include the La Tuque, Que., pulp mill which has a capacity of 175,000 tons of premium kraft pulps, of which 165,000 tons are high grade bleached kraft pulps, and 2,453,973 acres of timberland.

Purchase price of $39,250,000, exclusive of certain adjustments, was paid from cash resources.

Can. International

Canadian International Paper Co. produces large amounts of sulphite pulp for sale. The company is a wholly owned subsidiary of International Paper Co., New York.

The company's Kipawa sulphite mill at Temiskaming, Que., has three pulp-drying machines with a total daily capacity of about 367 tons of high-grade bleached sulphite pulp (113,400 tons annually on a 309-day basis). The Hawkesbury sulphite mill at Hawkesbury, Ont., is also equipped with three pulp-drying machines with a daily capacity of around 194 tons of high-grade bleached sulphite (60,000 tons on a 309-day basis). When required, production can be shifted to paper grade, with a capacity of about 234 tons daily.

An extensive rebuilding program at Hawkesbury was completed at the end of 1952. The mill is now producing a special new grade of hardwood dissolving pulp that was developed at the adjacent laboratories of the company's wholly owned subsidiary Industrial Cellulose Research Ltd.

At the Gatineau newsprint mill, about five miles below Ottawa on the Ottawa River, company has capacity for producing about 200 tons daily of bleached sulphite pulp (61,800 tons on a 309-day basis).

Some bleached sulphite is used by paper mills of the parent company, International Paper Co. in the northern U. S. Outside sales are all made under long-term contracts, with over 70% going to the U. S.

For the main coverage on Canadian International Paper Co., see the section under newsprint companies.

Columbia Cellulose

Columbia Cellulose Co. is a subsidiary of Canadian Chemical & Cellulose Co., a holding company formed in 1951 to consolidate all the Canadian operations controlled by Celanese Corp. of America.

Columbia Cellulose began manufacturing operations in April, 1951, at a new $29-million plant on Watson Island, just south of Prince Rupert, B.C. Original plans were for an output of 200 tons per day of high alpha pulps.

Expansion of the mill's productive capacity to its present 300 tons per day involved expenditures of an additional $16 millions. It increased the mill's output of high alpha pulps and also made possible simultaneous manufacture of other grades of pulps.

Financial statistics are consolidated with those of Canadian Chemical & Cellulose which showed an operating profit of over $500,000 in 1954. However, after making provisions for depreciation, amortization, depletion and writeoff of preoperating expenses, the company and its affiliates showed a consolidated net loss for the year in excess of $5 millions.

At a special meeting held July 20 of this year, shareholders of Canadian Chemical & Cellulose approved a reorganization of the company's capital structure. This involved conversion of all of the outstanding preferred shares into common and the surrender for cancellation of 825,000 common shares by the company's principal shareholder, Celatino, S.A. This move had the effect of eliminating the accumulated deficit incurred in establishing the operations.

In announcing the changes in the company's capital structure, President M. W. Mackenzie described it as an important step toward more permanent financing of the company's short-term debt. There was good reason to believe, he said, that the company has now turned the corner and can look forward to profitable operations.

The Columbia Cellulose mill production of high alpha pulps is mainly used for the manufacture of cellulose acetate textile fibres and plastics. The mill supplies the requirements of its affiliate, Canadian Chemical Co. at Edmonton, as well as plants of Celanese Corp. of America and other manufacturing companies.

The Government of British Columbia has made available to the company sufficient forest area to maintain the anticipated pulp mill capacity in perpetuity. The tract of 660,000 acres, north of the mill location, was the first forest management license of its kind to be granted. The forest areas range along the Skeena and Naas watersheds with 50% of the growth being spruce and hemlock trees, the more desirable species for the manufacture of high alpha pulps.

Columbia Cellulose operates an expanding research and development program carrying out intensive cellulosic research in well-equipped pilot plants and laboratories.

Cons. Paper

Consolidated Paper Corp., one of Canada's largest producers of newsprint, also makes a substantial quantity of kraft, sulphite and groundwood pulp.

Annual productive capacity at June, 1955, included 5,064 tons of kraft pulp, 27,720 tons of sulphite pulp, and 11,246 tons of groundwood pulp.

Wayagamack Division has a daily capacity of 16 tons of kraft and 37 tons of groundwood pulp for sale.

Laurentide Division, at Grand'Mere, produces 60 tons of sulphite daily and the Port Alfred Division, Port Alfred, Que., has a rated capacity daily of 30 tons.

During the six months ended June 30, consolidated net profit amounted to $6,798,352, up 25.2% from $5,436,452 a year earlier. Total sales in the 12 months of 1954 increased to $100,082,659 against $96,404,446 in 1953.

For main writeup on this company, see under newsprint companies.

Donnacona

Donnacona Paper Co. produces a substantial amount of sulphite pulp at its Donnacona, Que., mill as well as having a large newsprint and insulating board operation.

Control of the company was acquired by Howard Smith Paper Mills Ltd. in 1948-49 through purchase of shares. Howard Smith acquired a further 1,500 shares during 1954 and now owns 368,221 common shares of the company or 97% of the total.

About 55% of its sulphite pulp available for sale is sold in U. S.

For the main writeup on this company see the report in the newsprint section of this issue.

Fraser Cos.

Fraser Companies, Ltd. turns out a large amount of pulp for sale both directly and through a subsidiary, Restigouche Co. besides its paper and paperboard operations.

Restigouche has a sulphite pulp mill producing paper and dissolving type pulps at Atholville, N.B. At Dec. 31, 1954, approximate daily capacity of the plant including bleached sulphite, dissolving pulp (for rayon, Cellophane and plastics) and bleached sulphite pulp (paper grade) 195 to 260 tons for sale.

At its plant at Newcastle, N.B., it has daily capacity of 150 tons of unbleached kraft pulp, most of which is shipped to Edmundston for bleaching.

At Edmundston, N.B., the company operates a sulphite and groundwood pulp mills, sulphite and kraft bleaching plants as well as its paperboard mill.

At Edmundston, the company has developed a hydro-electric site of 2,000 hp. installed capacity. The greater part of the power for the Edmundston operation is obtained through Gatineau Power Co.'s power plant at Grand Falls, N.B., through the company's own transmission lines. Plants of subsidiaries, Fraser Paper, Ltd. and Restigouche Co. are supplied with power from their own steam turbine generators.

Sales of the company's products last year included 253,668 tons of pulp and paper (243,192 tons in 1953).

Demand for various grades of pulp, paper and paperboard manufactured by the company during the first six months of this year have been sufficient to permit all the mills to operate at high levels and the same conditions still exist, the semiannual report said.

Prices of a number of grades of paper manufactured at Madawaska have been increased. Advances range up to a maximum base price increased $10 per ton. Most of these increases were effective July 1, 1955.

For further details on the operations of Fraser Companies see the board, tissue and specialty paper report in this issue.

Gaspesia

Gaspesia Sulphite Co. is a wholly owned subsidiary of Anglo - Newfoundland Development Co.

A modern bleaching plant is now in full operation, producing a high-grade bleached sulphite for both the domestic and export markets, at its Chandler, Que., mill.

The prices of unbleached and bleached sulphite pulps remained unchanged throughout the year 1954, but due to a full year's effect of the $10 per ton price reduction for unbleached sulphite pulp which came into force May 1, 1953, net proceeds realized in 1954 from the sale of this pulp were lower than in 1953.

The over-all reduction in sales proceeds per ton was, however, more than offset by a reduction in costs, mostly due to the higher production obtained in 1954 when 31,603 tons of unbleached sulphite pulp and 42,483 tons of bleached sulphite pulp were produced.

Consolidated net profit of Anglo-Newfoundland for 1954 was $3,631,516 as compared with $2,935,986 in 1953. Gaspesia's share in the profit was $258,480 as agains $119,838 in 953.

Annual capacity of its sulphite pulp mill at Chandler, Que., amounts to 90,000 tons. Conversion of its mills that produced bleached sulphite involved an expenditure of $3,076,107 to Dec. 31, 1953. Prior to 1953, output was unbleached sulphite pulp only.

Great Lakes

Great Lakes Paper Co. manufactures newsprint and unbleached sulphite pulp at its plant on the Kaministiquia River, west of Fort William, Ont. It has full facilities for rail and water shipments.

Annual mill capacity is now 60,000 tons of unbleached sulphite pulp.

Sulphite pulp sales dropped from $2.6 millions in 1953 to $2 millions last year. Other wood pulp sales went from $76,830 in 1953 to $77,946 in 1954. Company anticipates an improvement in pulp operations in 1955.

For the main report on Great Lakes see the newsprint section.

Howard Smith

Howard Smith Paper Mills Ltd., the largest Canadian producer of fine and specialty papers, has also large manufacturing facilities for various types of pulp.

Combined annual capacity of all plants owned or controlled by the company includes 150,000 tons of bleached and unbleached sulphite pulp, 70,000 tons of bleached soda pulp, 110,000 tons of bleached and unbleached groundwood pulp.

The pulp market strengthened somewhat in the year and production increased slightly by over 9% to reach a total of 364,711. Report said demand is relatively steady and will likely remain so in the immediate future.

Consolidated net profit for 1954 was $5,020,256, 6.7% higher than consolidated net for 1953 of $4,703,018.

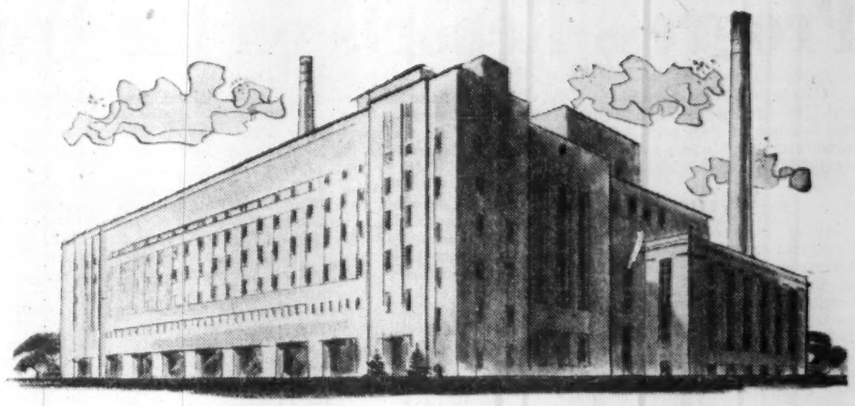
Howe Sound

Howe Sound Pulp Division of Canadian Forest Products Ltd. runs an unbleached kraft pulp mill at Port Mellon, B.C. It was formerly operated by Sorg Pulp Co., wholly owned subsidiary of the Sorg Paper Co., Middletown, Ohio, but was purchased in 1951 by a group consisting of Canadian Forest Products Ltd. and associated interests, and traded as Howe Sound Pulp Co. Some $6 millions was spent on complete modernization of the plant.

In 1953, Canadian Forest Products assumed full financial control of the mill, making it a division of the parent company. Concurrent with the change of ownership, a semibleach plant was authorized and installed, so that company can supply semibleached and unbleached kraft.

In addition, Canadian Forest Products operates a large plywood and hardboard division, as well as a lumber and shingle division, all of which depend on the company's extensive forest and logging operations for the

(Continued on page 46)



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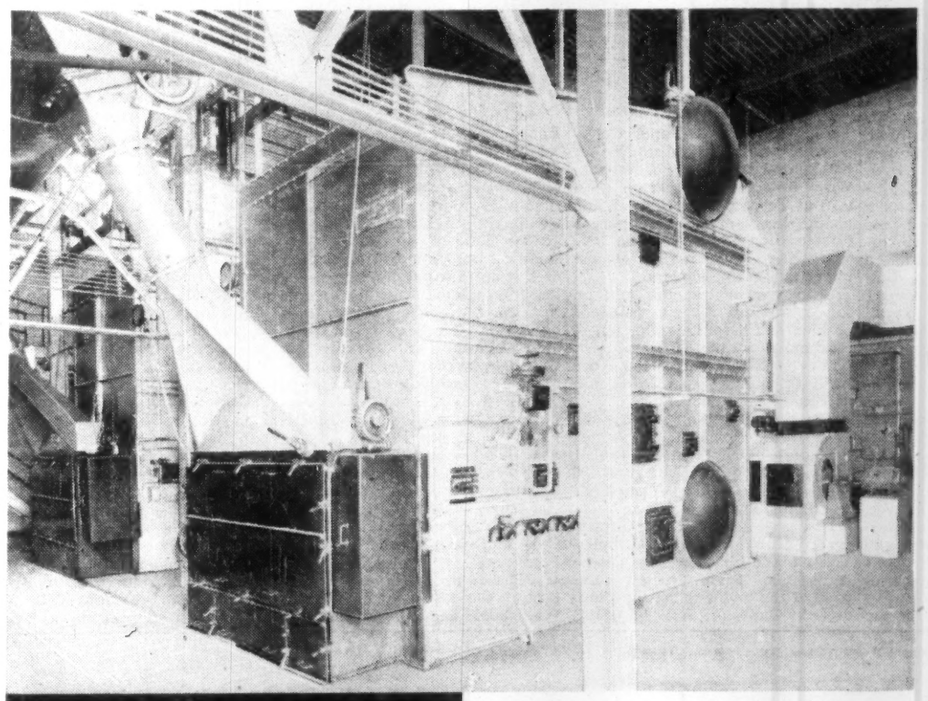

2 BABCOCK TYPE G "INTEGRAL-FURNACE" BOILERS FOR NEW HINDE & DAUCH PAPER CO. PLANT, Etobicoke

External View of Power Plant at Hinde & Dauch Paper Co. Etobicoke, Ont.

A recent Babcock boiler installation at the Corrugated Box Division, Hinde & Dauch Paper Co. of Canada Ltd., Etobicoke, Ontario includes 2 Babcock Type G "INTEGRAL-FURNACE" Boilers for supplying steam for processing.

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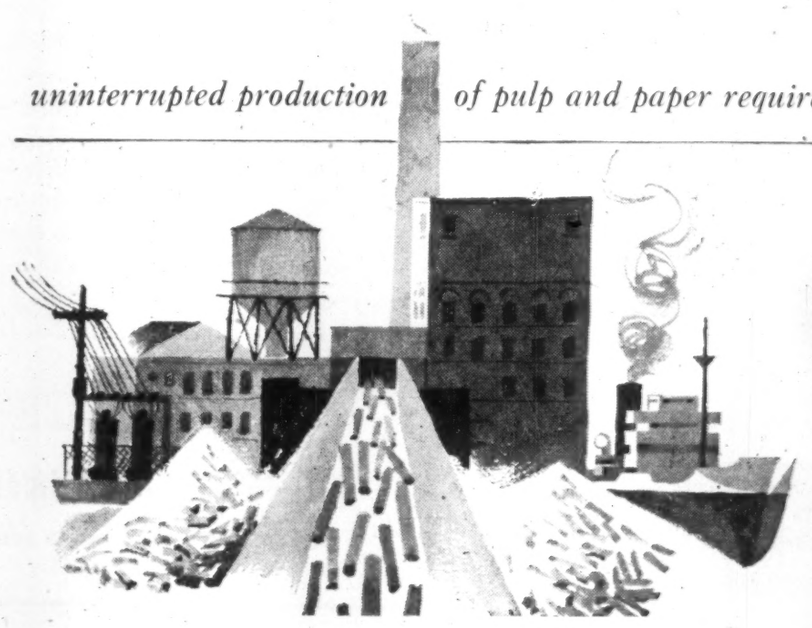

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Progress Reports on the Wood Pulp Companies

(Continued from page 45)

majority of the logs required. The balance of logs required for manufacturing purposes are purchased from independent loggers.

Irving

Irving Pulp and Paper Ltd. owns and operates a pulp mill at Lancaster, N.B., at the mouth of the Saint John River (the company's name was changed from Saint John Sulphite Ltd. in 1951).

Present daily capacity is 200 tons of bleached sulphite pulp. An expansion program, which will eventually enable the company to produce an additional 250 tons of bleached kraft pulp, is well under way. The buildings are nearing completion and the installation of machinery is expected to be completed this year.

Irving Pulp & Paper and associated companies own approximately 1,500,000 acres of timberland which they estimate will produce over 350,000 cords of pulpwood per annum.

KVP Co.

KVP Co., a subsidiary of the Kalamazoo Vegetable Parchment Co., Kalamazoo, Mich., produces bleached, semibleached, and unbleached kraft and groundwood pulp in its mills at Espanola, Ont. Paper production includes wrappings, bag stock, waxings, coating, hanging, specialties, and a small amount of newsprint.

The holdings, all Crown lands, are operated under a forest management contract of 21 years, with option to renew for additional periods of 21 years each. Responsibilities of managing this area include cutting of minimum and maximum quantities of pulpwood, building of roads necessary to reach mature timber, and preservation of forest resources. Program is designed to supply a major portion of KVP's present and future pulpwood requirements in perpetuity. Company's Espanola timber limits in Northern Ontario comprises approximately 5,600 square miles.

The Espanola property originally belonged to Abitibi Power & Paper Co., and was purchased by the parent company in 1943 for $1 million. In the same year, company began construction of a bleached kraft pulp mill, developing additional water power, building a plant for the manufacture of chlorine and acoustic, and made other improvements.

In 1952, a new parchment processing plant was set up to provide vegetable parchment for the use of food manufacturers, processors and domestic users.

Production of the two paper machines at Espanola in the fiscal year ended Sept. 30, 1954, amounted to 28,683 tons, 6.2% less than in previous year. The Canadian companies reduced their indebtedness to parent company by $1,810,000.

Capital additions accounted for expenditures of $1,001,923. Much of this was for improvement of quality and production efficiency, as well as for development and introduction of new papers. Equipment for removal of dirt from raw material and outlays for modern multicolor printing presses were prominent features in expenditures.

Twenty miles of all-season roads were constructed to permit year-around logging in certain timber areas and application of mechanization to woodcutting on a broader scale. In support of this, a new permanent woods headquarters and cutting camp has been built at Ramsey, Ont.

Another project completed was rehabilitation of the main power dam at Espanola to assure continuation of supply of electric and mechanical power for pulp and paper facilities there.

With new mechanical handling equipment and all-season roads, company is extending wood cutting and hauling season. An ideal location for such an operation is Ramsey, Ont., which is on the CPR main line and is surrounded by a vast acreage of mature timber.

LongLac

LongLac Pulp & Paper Co. is a wholly owned subsidiary of Kimberly-Clark Corp., of Neenah, Wis. It operates a kraft pulp mill at Terrace Bay, Ont., on the north shore of Lake Superior. Construction of this plant in 1947 was the company's biggest undertaking in 20 years.

Daily capacity of the mill on the Aguasabon River is 330 tons of bleached sulphite pulp, which is shipped to the U.S. mills of Kimberly-Clark and to the Kimberly Clark Corp. of Canada mill at Kapuskasing, Ont.

The mill is at the southern end of a water system down which logs are floated from the timber limits centred at Long Lac, 80 miles north, where company's woodlands are located.

Power is supplied by Ontario Hydro-Electric Power Commission's 55,000-hp. generator on the Aguasabon River, three miles west of the townsite, on the shore of Lake Superior. Raw materials are obtained from timberlands formerly under lease to Pulpwood Supply Co. and from enlarged timber concessions all of which are now under lease to LongLac and are expected to be a continuing source of supply.

Consolidated net earnings for LongLac, Kimberly-Clark Corp. of Canada, and Upper Canada Lumber Co. in the year ended April 30, 1955, amounted to $1,776,298, 25% higher than $1,372,649 in previous year.

LongLac sales were up 2% while net earnings increased by 25.9%. Most of gain is attributable to lower unit eight costs, but some additional favorable items were reduced losses on townsite operations, higher investment income, lower bond interest charges, and gain on disposal of fixed assets. Offsetting these gains to some extent was the continued unfavorable relationship of the U.S. dollar to the Canadian dollar. Most of the sales are made to the U.S. market.

During the year LongLac's normal depreciation was $1,647,931 and depreciation in excess of normal was $981,180. Original cost of property and plant was $34,854,474 and it has been written down to $15,161,396, or 46.1% of its original cost in six and half years of operation.

During year $800,000 (Canadian funds) 3% bonds were retired. Company has cash or marketable securities over three times the amount of all current liabilities.

MacM. & Bloedel

MacMillan & Bloedel Ltd., Vancouver, conducts an export lumber business, and through its divisions and subsidiaries, is one of the largest manufacturers of timber products in the world. Company controls a fully integrated lumber operation from standing timber to the marketing of a wide range of finished products. Two kraft mills are becoming an increasingly important operation. Company is the largest producer of plywood in Canada, producing approximately 33% of country's output.

Largest single group of operating units is Western District Sawmills, located in Port Alberni district on west coast of Vancouver Island. Sawmill and logging operations are carried on by Canadian White Pine, Chemainus, Shawnigan, Northwest Bay, and Log Supply divisions. Four smaller logging operations are carried on at Duncan, Oyster Bay on the east coast of Vancouver Island, and St. Vincent Bay and Wilson Creek on the mainland of B. C.

Plywood manufacturing is handled by Alberni Plywood and Vancouver Plywood divisions. The Pres-to-Log plant and the Red Band shingle mill are located along the Fraser River between Vancouver and New Westminster. Another shingle mill is located at Port Alberni.

Harmac Pulp and Alberni Pulp divisions carry on production of kraft pulp. Company also owns all the real and leasehold property of Canadian Transport Co., a subsidiary conducting general shipping business and handling the export business of the company. Merchandising is carried on by various sales branches throughout the world.

A $35 million expansion program is under way at Port Alberni. Program includes: enlargement of chemical pulp mill output from 250 to 400 tons daily; a bleaching unit for part of pulp output of which none is bleached at present, a newsprint mill to produce 100,000 tons yearly and is scheduled to start production in 1957, a mill to produce 60,000 tons of linerboard and kraft paper of various kinds and is due to open in last quarter of 1957; and a deepsea wharf to serve the pulp and two paper mills. When completed the new mills and facilities will offer over 300 jobs.

The laboratory at Harmac was completed and came into operation during the year. A staff of scientists has been assembled and a program of research been undertaken.

Company is result of a merger of H. R. MacMillan Export Co. and Bloedel, Stewart & Welch Ltd. in 1951. Company has been retained to handle sales of B. C. Forest Products on a fee basis; a 10-year management contract between the two was terminated in 1953.

Net income for the nine months ended June 30, 1955, was $13,808,802, 61% higher than $8,577,534 in corresponding period of previous year. Earnings per share were equivalent to $2.61 in this period ($1.62 in previous period).

Commenting on these figures President B. M. Hoffmeister stated that market conditions for forest products continued to be favorable but that results for next quarter would reflect increased wage scales and annual mill shutdowns.

At the end of the last financial year, Chairman H. R. MacMillan said that the increase in gross receipts over previous year was due almost entirely to a larger volume of sales of pulp as average prices, particularly in lumber, were lower. He said that the premium on the Canadian dollar was a continuing burden, competition from other countries forced company to sell 55% of its output in foreign currency discount on which reduced gross profits by about $2 millions.

Capital expenditure during 1953-54 amounted to $7,132,938 ($17,954,424 in previous year). This was lower than in recent years, during which pulp mills were being built, sawmills equipped to turn waste into pulp chips and plywood mills extended. Chief items during past year were conversion of railroads to truck roads, purchase of timber, new logging machinery, renewal of electrical and power installations, and additions to pulp mills to increase production and improve quality. A special project was building and equipping a research centre at Harmac.

Capitalization outstanding at July 31, 1955, consisted of $4,400,000 2¾%-3% first mortgage bonds due 1955-59; $2,394,000 4% first mortgage bonds due 1965; 50,685 class A noncallable convertible cumulative n.p.v. shares; and 5,234,853 class B n.p.v. shares.

Marathon

Marathon Paper Mills of Canada operates a high-grade bleached kraft pulp mill at Marathon, Ont., producing 375 tons a day. Company is a subsidiary of Marathon Corp., Menasha, Wis.

Marathon has cutting rights on 3.2 million acres of pulpwood forests in Canada, and mills at Ashland, Green Bay, Menasha and Rothschild, Wis., Menominee, Mich., and Oswego, N.Y., convert the pulp into paper.

The Ontario mill gives the parent company's mills and converting plants a dependable source of high-quality kraft pulp for use in the manufacture of paper and paperboard for food packaging and household paper products, of which Marathon is a major producer.

For the nine months ended July 31, 1955, net profit of the parent company was $6,672,460, 25.2% higher than $5,327,795 in same period last year. Common shares earned $1.81, as against $1.43 in comparable period last year. Sales were 11.4% higher than $86,050,966.

Net profit in the year ended Oct. 31, 1954, was $7,489,082, 28.1% higher than $5,844,726 in previous year. Net sales were $117,806,121, up 5% from $112,196,491.

As a result of long-range planning, company has appreciably improved its Canadian pulp cost. Expenditures in recent years for woodlands operations, chemical manufacturing and chemical recovery are paying off in increased efficiency and lower costs.

(Continued on page 57)

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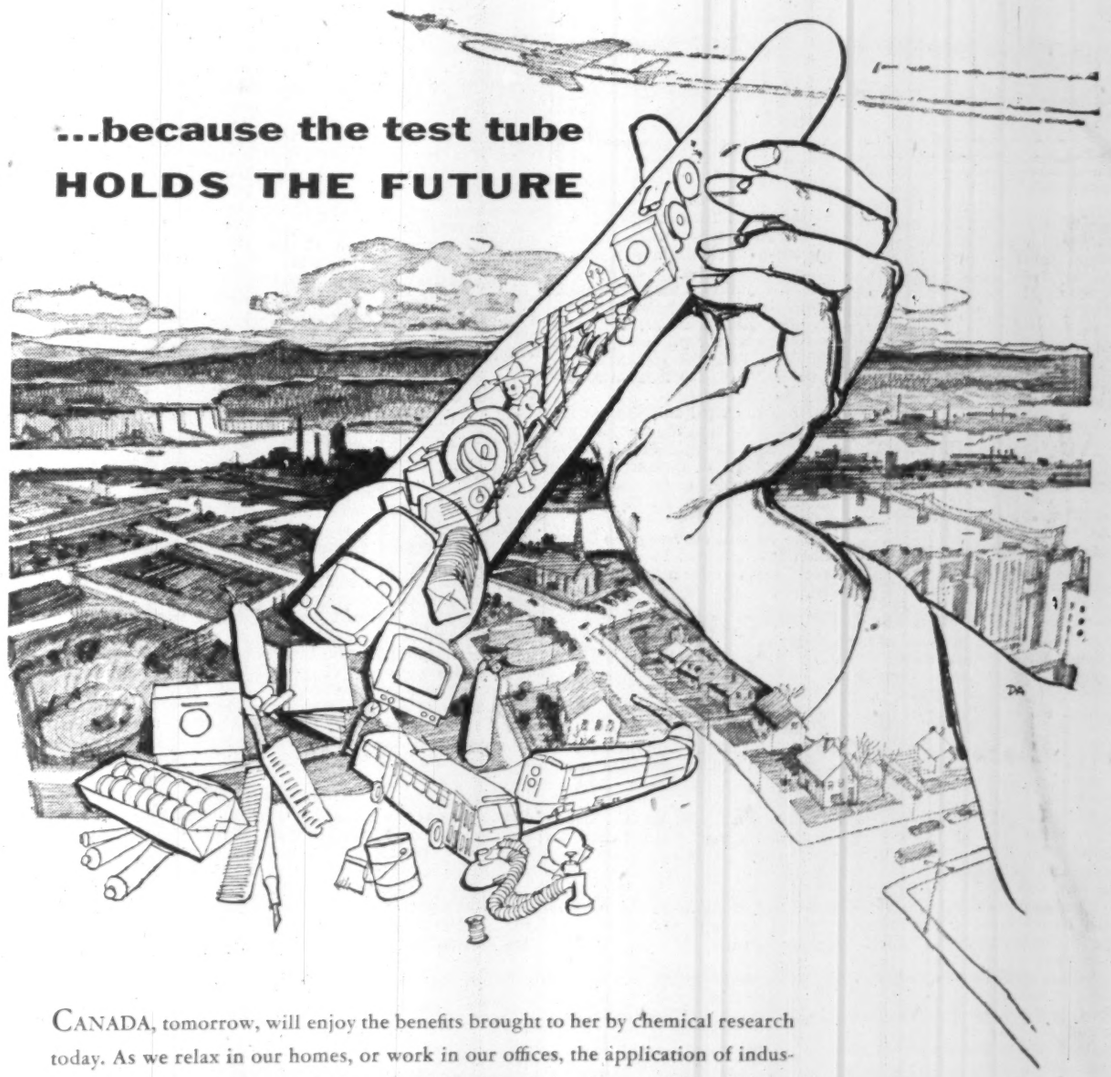

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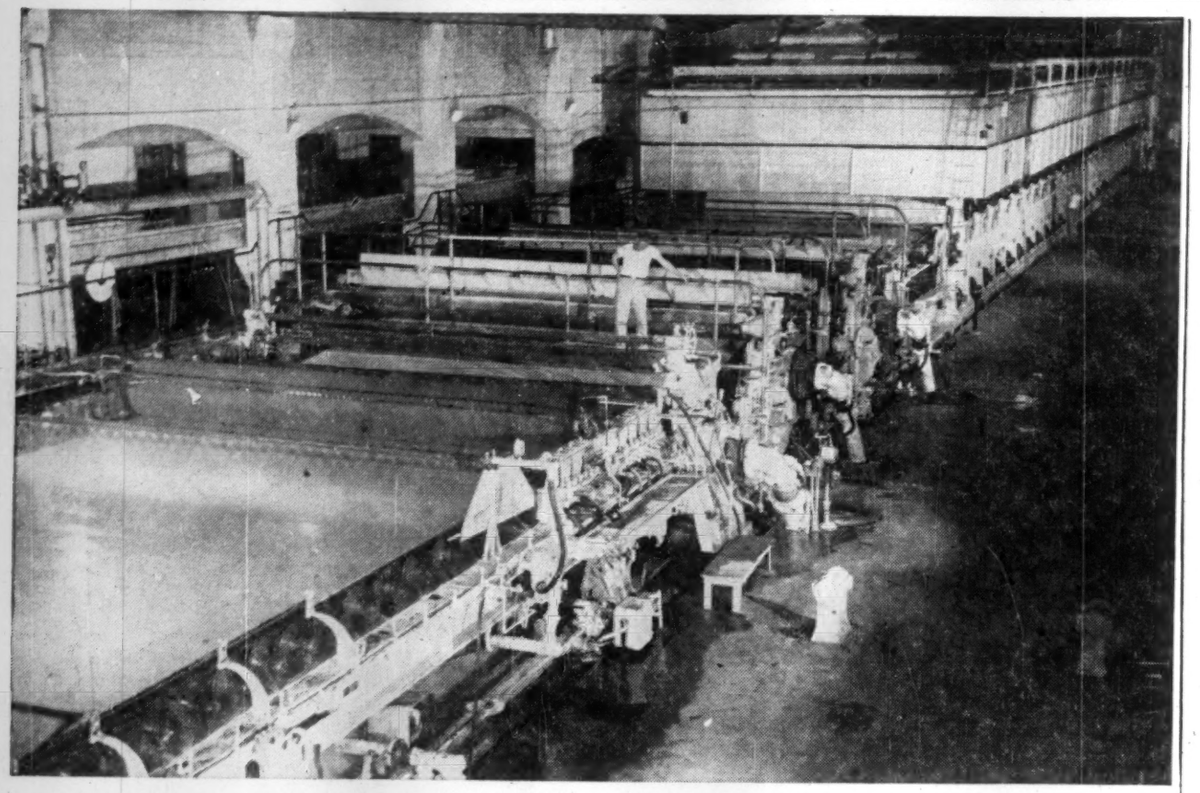
SHAWINIGAN CHEMICALS LIMITED

HEAD OFFICE: SHAWINIGAN BUILDING, MONTREAL — PLANTS: SHAWINIGAN FALLS



WITH EXPORTS in 1954 of $636 millions likely to be exceeded this year, newsprint is the largest single item in Canada's export trade. Alone it accounted for 16% of all exports. Pictured above is one of the 140 newsprint machines in 41 Canadian mills which this year will turn out more than six million tons.

Science Cuts Costs, Boosts Efficiency

Scores of Research Projects Under Way in Pulp, Paper

By ALLAN FENTON

Canadian pulp and paper firms spend millions of dollars for research. Scientists are working on countless projects, aimed at cutting costs, increasing efficiency and turning out a better product.

Here is a summary of the main projects now under way:

Bathurst Power & Paper Co., Bathurst, N.B. The pulp and paper mill operations at Bathurst are quite diversified. There are kraft, sulphite, groundwood, and semichemical pulp mills at the same location and these pulps are converted into various grades on four paper machines. Research at Bathurst has for one of its objectives the complete integration of all these pulping processes. Several unique and exclusive methods have been developed as a result of having these pulping processes located at the one site.

Bathurst has for several years been in the forefront of research on high yield pulping. By such a process more of the wood is converted to pulp and conservation is thereby accomplished. The result of the development work was the introduction, Bathurst says, of the first commercially successful high yield kraft process using "brown stock refining."

In this process the wood is pulped in such a way that less of the lignin is dissolved and the resulting pulp is passed through refiners while still in contact with the hot cooking liquor. In this way the final pulp is produced at a higher yield. Since the method was first begun considerable research work has been done on chip pre-treatment, cooking methods, pulp uniformity, and refining technique, and the pulp yield has gradually been raised to over 60%.

This, so far as is known, is the highest yield yet attained in kraft mill operation. It means that four cords of wood will produce the same amount as five in conventional practice. All kraft pulp at Bathurst is converted into linerboard and the high yield pulp is particularly suitable for this project.

Complete utilization of the forest and thus over-all conservation, has been another objective of Bathurst research. A suitable use for the hardwoods on the New Brunswick limits were investigated over a number of years and led, in 1951, to the operation of the first continuous semichemical pulp mill in Canada making corrugating board for the container industry.

In this semichemical process the yield is considerably higher even than that of the high yield kraft so that maximum yield is obtained from the hardwoods and an equivalent saving is made in the softwood species. Research over the past four years has modified the cooking process and changed the cooking chemicals in order to produce a special pulp for Bathurst corrugating material, known as BCM.

The board has a high rigidity which is of prime importance in the manufacture of corrugated containers. By thus putting the hardwoods to use a better board has been produced from species not previously used, and at the highest possible yield.

Woods mechanization at Bathurst has followed the trends of modern practice. Roads are built throughout the company's limits and an increasing amount of wood is being transported by truck. Through the Canadian Pulp and Paper Association, the company is contributing to the development of the Bonnard Prehauler which gives promise of becoming an important piece of equipment in woods mechanization.

Bathurst converts most of its liner and corrugating board into corrugated containers in its plants at Hamilton, Montreal, St. Laurent, and Toronto. To serve the container division, a complete research and development department was established in 1951. It is located at the St. Laurent plant and is a division within the general research department of the company.

It contains all equipment necessary for the evaluation and testing of containers. The general policy of this branch is study of a corrugated container as a structure from an engineering point of view, and the conversion of the boards made at the mill into the best containers possible.

Evidence of the success of the investigation is shown by the graphs of box quality which have steadily shown improvement since 1951. One outgrowth of the work has been the establishment of quality control throughout all the plants and this program functions regularly as a part of production.

In addition to the improvement in existing containers, finding new uses for corrugating boxes plays an important part in the investigations. A typical example is the Bathurst all-weather retripper. This is a multiple trip container for the brewing industry which has replaced the wooden box. Its use has greatly expanded since its introduction.

Production of high strength containers has progressed well by making use of the superior rigidity of the BCM corrugating board mentioned above. Where a super-rigid box is desired, Bathurst has developed the special board known as Regidflute by combining two sheets of BCM as a corrugating medium. Containers made of this board are becoming increasingly popular, especially in boxes for bulk products where the contents do not in any way support the load.

For added protection or eye appeal, Bathurst can supply board to which another material has been laminated. Two years ago an aluminum foil lined board was introduced for its insulating properties and other films can be laminated to take care of special applications. There is a marked trend to color in packaging. Colored containers have been developed, either plain or with attractive patterns in color.

Bathurst container research maintains a package engineering department whose sole function is to design new containers and new applications for corrugated boxes. Associated with this group is a development section which studies new methods of production and container handling in the customer's plant.

Recently Bathurst acquired a company whose business, in addition to corrugated containers, was the manufacture of wirebound shipping cases. A section within the Research Department is being set up to devote itself entirely to this type of container.

In its letterhead, the Bathurst motto is "From Forest to Package." Its research covers the entire field.

Anglo-Canadian Pulp & Paper Mills and **Anglo-Newfoundland Development Co.** conduct a co-operative research program. Like most of the other pulp and paper companies, they support the research program of the Pulp & Paper Research Institute of Canada. In addition to this Institute research, these two companies support a research and development organization, whose sole function is to improve processes and products and develop new ones. In pursuing these functions, greater utilization is sought of forest resources.

A yearly expenditure of approximately $500,000 is made in applied research. This includes the support given to the Pulp and Paper Research Institute, the direct expenditures of the Research and Development Department and the mill research in applying new equipment and processes. About half of this figure is made up of direct research charges.

This organization was one of the first to become interested in a high yield pulping program and considerable work was done as far back as the early 1940s. The current emphasis, however, is directed on how to produce the highest possible quality products and yet obtain high yields. Considerable effort of the research program has been directed toward the application of new bleaching techniques for the production of both bleached sulphite and kraft pulps. This phase of the program is directed toward ensuring the production of high quality products.

The largest tonnage product of these companies is newsprint, and

(Continued on page 52)

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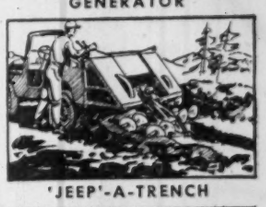

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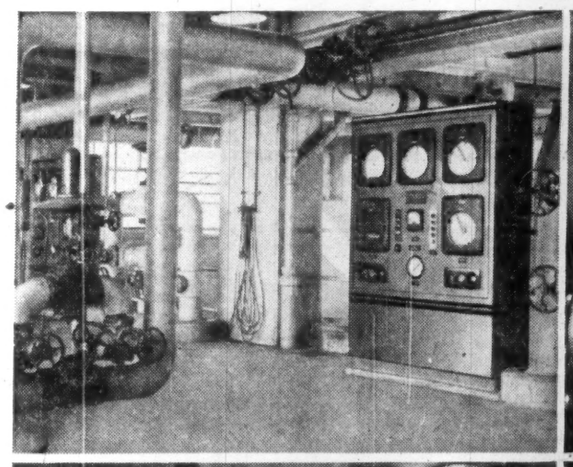
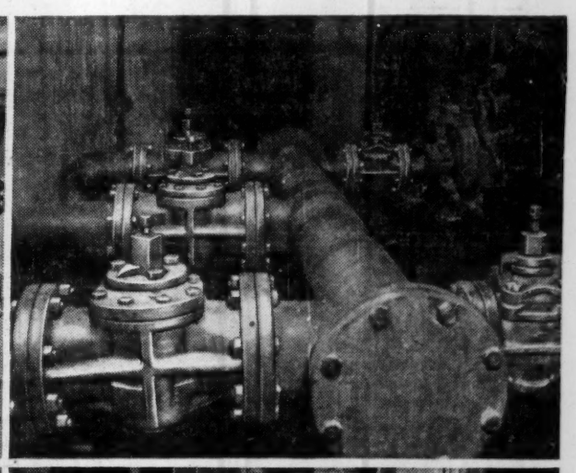
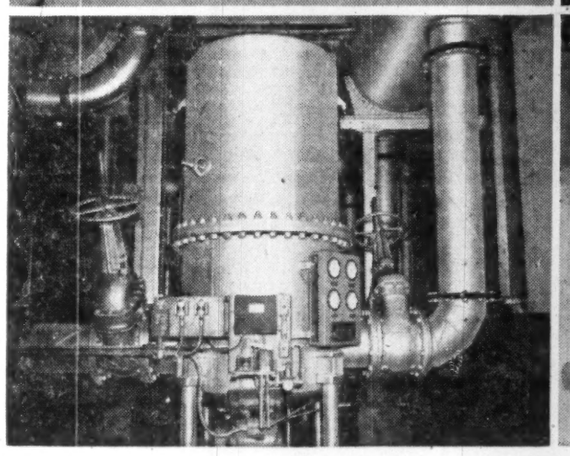
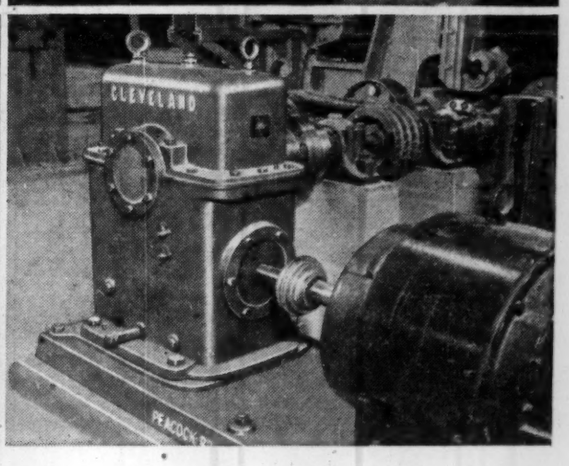




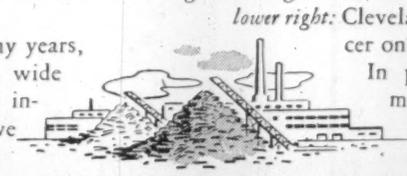




PULP AND PAPER AND PEACOCK

It is doubtful if any single industry has meant so much to a country as pulp and paper production has meant to Canada. First in value of production, first in exports, first in employment and wages paid, and first in capital invested, pulp and paper deserves much credit for the high standard of living enjoyed by Canadians.

The industry has, for many years, looked to Peacock for a wide range of equipment. The installations illustrated above are typical of the many in existence in mills across the country. *Top left:* Foxboro Sulphate Digester Controls in a large western pulp mill; *lower left:* Cuno Flo-Klean Filter handling mill water supply in an eastern paper mill; *top right:* Nordstrom Ni-Resist Lubricated Plug Valves on black liquor storage tanks and lines in evaporator room; *lower right:* Cleveland Worm Gear Speed Reducer on pulp drying machine drive.



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Here's Record of Fine Paper Firms

(Continued from page 44)

capacity is 150,000 tons from 10 machines, but the modernization program involves the shutdown of two old and less efficient machines. Capitalization on completion of the issue will consist of $15 millions funded debt and 3,000 common shares $100 par. All the common is held by the Eddy Paper Co.

President and Managing Director R. A. Irwin said in the annual report that the new tissue machine and the development program for the fine paper mills, now nearing completion, have made possible improvement of existing products and development of new ones, some of which are now in the market.

"Great savings in operating costs have been achieved," said the president. Wage rate increases of more than $1 million have been absorbed by the savings without increases in selling prices.

At the same time, competition has forced reduction of prices in some major lines.

Fraser Cos.

Fraser Companies Ltd. manufactures and sells sulphite and groundwood specialty papers directly and through a wholly owned subsidiary, Fraser Paper Ltd.

The company's Madawaska, Maine, plant had a daily capacity at Dec. 31, 1954, of 320 tons of sulphite specialty papers, and 160 tons of groundwood content papers for sale. This is run by Fraser Paper.

For 1954, Fraser Companies reported consolidated net profit of $4,868,171 compared with $2,973,739 for the preceding year. In the first six months of this year, consolidated net profit totaled $2,383,894 against $2,138,782 for the first six months of last year.

Demand for various grades of pulp, paper and paperboard manufactured during the first six months of this year was sufficient to permit all of the mills to operate at high levels and the same conditions still exist.

Consolidated net working capital at Dec. 31, 1954, increased to $13,798,549 from $10,941,925 at end of 1953. Inventories were higher at $11,811,101 compared with $8,501,795.

Capital expenditures in 1954 amounted to $2,416,128 for new additions and improvements to plants and properties. The major item was a new paper machine at Madawaska replacing the old No. 4 machine. This will increase annual capacity by some 10,000 tons of paper. The new machine went in operation in September, 1954.

Howard Smith

Howard Smith Paper Mills Ltd., with its subsidiaries, is the largest producer of fine and specialty papers in Canada. It makes over 500 grades of paper which are sold throughout the country and exported to Great Britain, South Africa, New Zealand, Australia, South America, and other countries. Pulp and byproducts produced comprise bleached sulphite, bleached soda, and groundwood pulp; vanillin, a flavoring material, tomlinite, a synthetic resin.

Through its subsidiaries, the company also controls plants for the manufacture of groundwood pulp, bleached and unbleached kraft—pulp and sulphite pulp, glassine, greaseproof, wrapping, toilet and coating papers, tags, paper bags, and specialties, paper and cloth base—plastic laminates, and newsprint. Donnacona Paper Co. is 97% owned by Howard Smith.

Combined annual capacity (including Donnacona) is 280,000 tons of fine paper, kraft, specialties, newsprint, etc.; 150,000 tons of bleached and unbleached sulphite pulp, 70,000 tons bleached soda pulp, 90,000 tons bleached and unbleached kraft pulp, 110,000 tons bleached and unbleached groundwood, 100,000 lb. vanillin, 3,000 tons of decorative and industrial laminates, 100,000,000 sq. ft. of building board, 350,000,000 paper bags and 12,000,000 flour sacks.

Total production of all kinds of pulp was 364,711 tons in 1954 (334,226 tons in 1953); total production of paper was 260,080 tons against 245,699 tons in 1953.

The company owns plants at Cornwall, Ont., Beauharnois and Crabtree Mills, Que. The annual capacity of combined plants is 83,000 tons of bonded ledger papers, bristol boards, offset papers, book, litho, etc.; 60,000 tons of bleached sulphite pulp; 70,000 tons of bleached soda pulp; 12,000 tons of unbleached groundwood.

Plants at Beauharnois, Cornwall and Crabtree mills divisions are owned directly by Howard Smith Paper Mills Ltd.; those of the Windsor Mills Division are owned through Canada Paper Co., those of the Merritton, Georgetown and Toronto (Don Valley Paper Co.) divisions are owned through Alliance Paper Mills, Ltd., and the Ville la Salle, Montreal plant, is owned through the Arborite Co. The plants of Donnacona Paper Co. are at Donnacona, Que.

Consolidated net profit for 1954 was $5,020,256, 6.7% higher than consolidated net for 1953 of $4,703,301.

Capital expenditures in 1954 amounted to $7,873,170. Main items in the program included:

—Cornwall Division: construction of a new pulp storage and shipping building; extension of the paper mill beater room to permit the control of stock for all machines from one centre; reconstruction of the sulphite pulp screen room.

—Crabtree Division: reconstruction of No. 2 paper machine; construction of new finishing room to provide for increased output of machine.

—Donnacona: extension of the finishing room building; construction of a pyrites plant for the generation of sulphur dioxide gas to replace the imported sulphur.

—Canada Paper: construction of new machine room and installation of an additional paper machine at St. Francis Division, including new central steam plants; addition to the converting plant.

Timber limits exceed 5,000 sq. miles.

Provincial Paper

Provincial Paper Ltd., wholly owned subsidiary of Abitibi Power & Paper Co., manufactures and distributes high grade book litho, bond, coated and writing papers. It has four plants, with a productive capacity of about 90,000 tons per year.

The plant at Georgetown, Ont., is a paper coating mill. The Thorold, Ont., plant has three paper of 100 tons. The Mille Roches mill of 100 tons. The Mille Roche mill is to be flooded after the St. Lawrence Seaway project has been completed, and one of its two machines has already been moved out. Two paper machines with a daily capacity of 95 tons are at the Port Arthur plant; the sulphite mill has a daily capacity of 6' tons and the groundwood plant a total capacity of 100 tons daily. Company also owns and operates a hydro-electric plant at Thorold, generating about 850 hp.

A new paper machine is being installed at the Thorold mill and is expected to be in production early next year.

While the mills ran at a high percentage of their rated capacity the fine paper markets in Canada reflected a lower level of business activity during the latter half of 1954. However, prices of some grades have recently risen.

Total production of fine papers and printing papers in 1954 was 74,593 tons compared with 75,506 tons in 1953.

Rolland Paper

Rolland Paper Co. manufactures and sells high grade bond, writing, ledger, airmail offset and mimeograph papers. Sales offices are at Toronto, Winnipeg and Vancouver.

Plants are at Mont Rolland and St. Jerome, Que. Annual production of Mont Rolland mill is 15,000 tons of sulphite bond and rag stock paper and that of St. Jerome, about 10,000 tons of high-grade rag stock and sulphite bond papers.

Mills are driven by power from plants owned by the company on the North River. The Mont Rolland plant has a capacity of 1,500 hp. and the St. Jerome plant capacity is 700 hp. Additional power is purchased from Gatineau Power Co.

In 1954, net profit was a record $564,286, 2% higher than 1953 net of $553,190.

Shipments of fine paper to the domestic and export markets increased 4.6% with a result the company's mills experienced record full-time operations, stated President and General Manager Lucien G. Rolland. Only 3.2% of total sales were shipped to export markets.

Capital expenditures totaled $334,289 for the year compared with $282,874 for the previous year.

Working capital at Dec. 31, 1954, was $2,466,457 as against $2,171,041 at the same time the previous year.

Here's Canada's newsprint capacity and production: In 000's of Short Tons of 2,000 Pounds

Year	Rated Annual Capacity	Actual Production	Operating Percentage	Actual (a) Production	Value (a) 000's Dollars
1925	1,823	1,619	88.8	1,537	$106,269
1926	2,121	2,068	97.5	1,889	121,065
1927	2,716	2,290	84.3	2,083	132,287
1928	3,281	2,612	79.6	2,414	144,147
1929	3,468	2,984	86.0	2,725	150,800
1930	3,848	2,791	72.5	2,498	136,182
1931	4,217	2,516	61.8	2,227	111,420
1932	4,142	2,186	52.8	1,919	85,504
1933	4,149	2,282	55.0	2,022	66,960
1934	4,182	2,911	69.6	2,605	86,811
1935	4,263	3,083	72.3	2,765	88,436
1936	4,218	3,535	83.8	3,225	105,215
1937	4,211	3,998	94.9	3,674	126,424
1938	4,535	2,983	63.8	2,669	107,051
1939	4,633	3,175	68.5	2,927	120,859
1940	4,716	3,770	79.9	3,504	158,447
1941	4,703	3,771	80.2	3,520	158,925
1942	4,763	3,455	72.5	3,257	147,074
1943	4,678	3,219	68.8	3,046	152,963
1944	4,726	3,265	69.1	3,040	163,655
1945	4,672	3,592	76.9	3,324	189,024
1946	4,641	4,506	97.1	4,162	280,810
1947	4,729	4,820	101.9	4,474	355,541
1948	4,883	4,983	102.0	4,640	402,100
1949	5,113	5,176	101.2	5,187	467,976
1950	5,227	5,279	101.0	5,318	506,968
1951	5,360	5,516	102.9	5,561	564,361
1952	5,510	5,687	103.2	5,707	600,516
1953	5,723	5,721	100.0	5,755	633,400
1954	5,920	5,984	101.1	not available	
1955 (est.)	6,064	6,150	101.4	not available	

(a) Dominion Bureau of Statistics figures. These do not include Newfoundland, except in 1949 and later years, but do include relatively small quantities of hanging paper, poster paper, and side runs for pulping.

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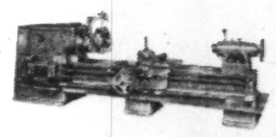
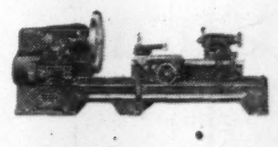
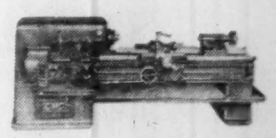


28" X 96" "Master" Engine Lathe

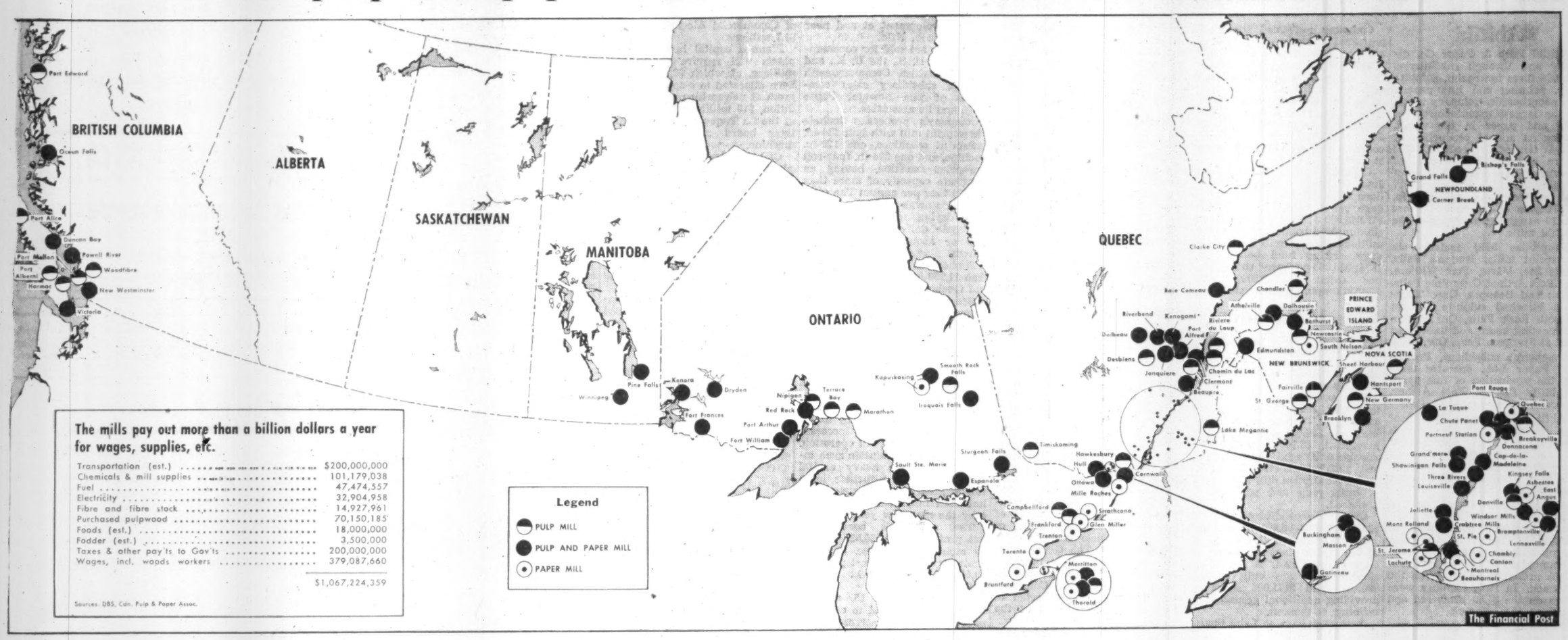


28" X 52" Extension Bed Gap Lathe



18" X 54" Precision Toolroom Lathe

These pulp and paper mills mean wealth for the whole nation



The mills pay out more than a billion dollars a year for wages, supplies, etc.

Transportation (est.)	$200,000,000
Chemicals & mill supplies	101,179,038
Fuel	47,474,557
Electricity	32,904,958
Fibre and fibre stock	14,927,961
Purchased pulpwood	70,150,185
Foods (est.)	18,000,000
Fodder (est.)	3,500,000
Taxes & other pay'ts to Gov'ts	200,000,000
Wages, incl. woods workers	379,087,660
	$1,067,224,359

Sources: DBS, Can. Pulp & Paper Assoc.

The Study, Expansion in Newfoundland

How, Where East Coast Industry Looks for Growth

Vast forest reserves of the island of Newfoundland and mainland of Labrador are being charted and studied as Canada's newest province looks to expansion of its major industry.

On the island, a study is under way by U.S. interests who are contemplating construction of a third pulp and paper mill. Newfoundland now has two large mills — Bowaters Newfoundland Pulp and Paper Mills at Corner Brook and Anglo-Newfoundland Development mill at Grand Falls. Gross value of production is about $70 millions annually.

A recent Royal Commission which examined the forest resource recommended construction of a third mill. However, its recommendation was dependent on a careful assessment of forest resources.

The result is the more detailed survey by a New Brunswick forester. He is examining types of wood, age of forests and best methods of cutting and transportation. One of the problems facing a potential third mill is the distribution of woodland rights to the existing mills.

Newfoundland government officials feel that by including wood on Crown lands and rearranging holdings of the two companies, the third mill can be built on the east coast of the island.

However, an important factor that is being kept in mind is the continued expansion of the existing companies. Anglo-Newfoundland has largely completed expansion of its facilities but Bowaters is in the middle of a $10-million program.

Even when this expansion program is completed, the two companies will continue to make minor changes aimed at increasing capacity.

As they expand, the problem of finding more suitable wood becomes more pressing. Because such large parts of the Newfoundland coastline are locked in by ice for most of the year, transportation of logs is difficult. A reallocation of the island's resources to provide more efficient transportation methods may be part of the answer.

But another possible solution is only now being tested. This is tapping the 60 million cords of virgin timber on sparsely populated Labrador. Anglo-Newfoundland is pioneering this possibility.

Last year Anglo-Newfoundland contracted with a wood-cutter to supply them with Labrador spruce logs. This was an experimental move but turned out so successful that this year the contract was increased. Major stumbling block is climate. Logs cut on Labrador must be moved to island mills during the few summer months when there is no ice.

These logs are brought to the island by barge. The day may come when a steady stream of barges will bring logs from Labrador to Newfoundland mills where they will be stockpiled for use in the winter months.

There is the further possibility that the logs might be processed into pulp and paper in mainland Labrador. Many economic and cost problems must be solved before this can be seriously considered.

However, the two major development organizations which are examining the possibilities of tapping Labrador natural wealth are working toward this possibility. Newfoundland and Labrador Corp., the Crown-controlled organization, has already found that wood supplies are ample and the Hamilton River offers a suitable means of transportation for logs.

Site of a Labrador mill would likely be at the mouth of the Hamilton River with the logs floated downriver throughout the summer. There is no real problem of power supply. The Hamilton River is estimated to contain up to 6 million hp of potential.

But the big problem facing a Labrador mill will be its inability to ship for some seven months of the year. Newsprint or pulp would have to be stockpiled throughout the winter and because of changes in requirements of potential users, stockpiling presents a major risk.

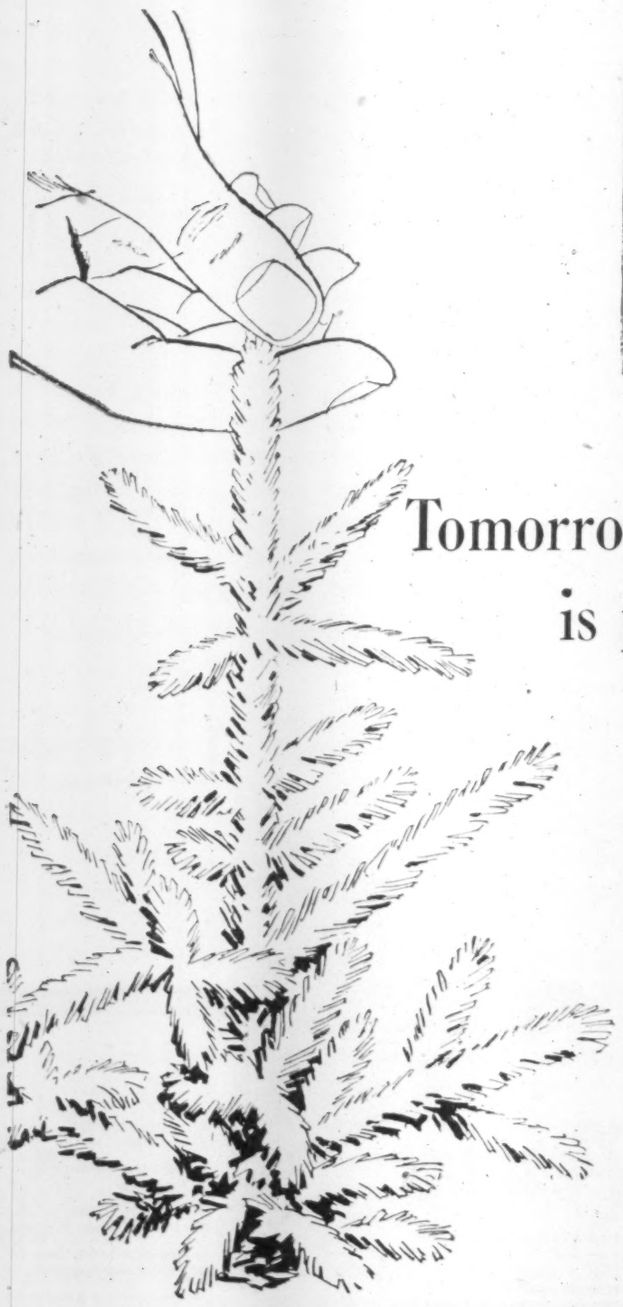
Some day Labrador may be opened up by means of railway lines and roads leading inland and south. This would help overcome the transportation problem, permitting shipment of paper products throughout the year.

The Province of Newfoundland offers one of the major untapped areas of forest wealth. Business and government are tackling ways of using these resources. It is only a matter of time until Newfoundland becomes even more important to Canada's pulp and paper industry. Bowater's and Anglo-Newfoundland already account for some 10% of the industry's production.

Average Depletion

Average Annual Depletion 1943-1952
(Island of Newfoundland, but not Labrador, included since 1949)

		000's of cu. ft	% depletion	% utilization
Logs and bolts for domestic use		1,166,800	31.4	38.5
Logs and bolts for export		11,589	0.3	0.4
Pulpwood for domestic use		811,087	21.8	26.8
Pulpwood for export		166,424	4.5	5.5
Fuelwood		766,956	20.6	25.3
Ties, poles, pit props, posts, rails		70,620	1.9	2.3
Miscellaneous		36,834	1.0	1.2
		3,030,310		100.0
Fire	190,948			
Insects and disease	500,000	690,948	18.5	
		3,721,258	100.0	



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Tomorrow's prosperity is planned today

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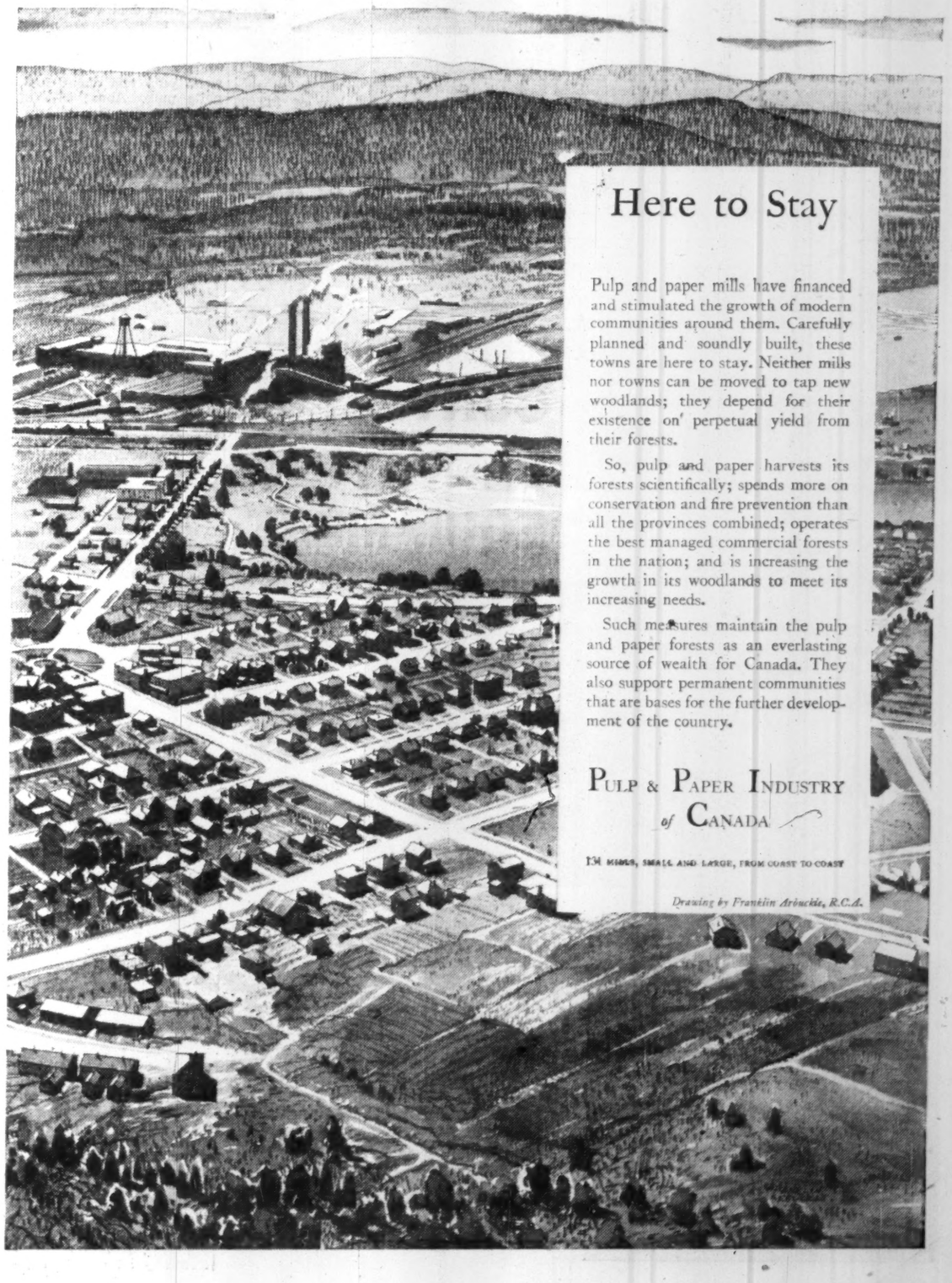
Abitibi

ABITIBI POWER & PAPER COMPANY, LIMITED



Here to Stay

Pulp and paper mills have financed and stimulated the growth of modern communities around them. Carefully planned and soundly built, these towns are here to stay. Neither mills nor towns can be moved to tap new woodlands; they depend for their existence on perpetual yield from their forests.

So, pulp and paper harvests its forests scientifically; spends more on conservation and fire prevention than all the provinces combined; operates the best managed commercial forests in the nation; and is increasing the growth in its woodlands to meet its increasing needs.

Such measures maintain the pulp and paper forests as an everlasting source of wealth for Canada. They also support permanent communities that are bases for the further development of the country.

PULP & PAPER INDUSTRY of CANADA

134 MILLS, SMALL AND LARGE, FROM COAST TO COAST

Drawing by Franklin Arbuckle, R.C.A.

Here's How Canada's Newsprint Companies Are Doing

Abitibi

Abitibi Pulp & Paper Co. directly and through subsidiaries manufactures newsprint, sulphite pulp, printing and fine papers, and paperboards. Company is one of the largest manufacturers of pulp and paper in the world, having an annual production of 953,941 tons of all products. This figure includes 772,247 tons of newsprint paper, 74,593 tons of printing and fine papers, 63,617 tons of bleached sulphite pulp, 43,484 tons of hardboard. There are 19 newsprint machines in the Abitibi mills.

Properties held include six newsprint mills: Iroquois Falls, Sault Ste. Marie, Fort William, and Port Arthur, Ont.; Pine Falls, Man.; and Beaupre, Que. There is a bleached sulphite mill at Smooth Rock Falls, Ont., and a corrugating board and hardboard mill at Sturgeon Falls, Ont.

Company's subsidiary, Provincial Paper Ltd., operates mills for the production of fine paper at Mille Roches, Port Arthur, Thorold, and Georgetown, Ont.

Abitibi now owns only 10% of the shares of Alaska Pine & Cellulose Ltd., having sold 40,000 of its 50,000 shares in 1954. Alaska Pine & Cellulose owns and operates two cellulose mills on the Pacific Coast.

Consolidated net profit for the fiscal year ended Dec. 31, 1954, was $10,625,901, 5.8% higher than $10,044,152 for previous year. Earnings per share in 1954 amounted to $17.65 on the new 4½% preferred and $2.49 on the common. In 1953, earnings were $9.56 on the $1.50 preferred and $2.27 on the common.

Dividend on the common was $1.26 ($1.05). Current rate is $1.50.

Consolidated net profit in 1955 first half was $6,508,342, 21.7% higher than $5,345,755 for corresponding period of 1954. Net sales were up 4.7%, from $59,660,865 to $56,970,305. The improvement is due to a more favorable exchange rate for U. S. funds, lower income taxes, and the greater efficiency resulting from the company's modernization program.

The improvements at Smooth Rock Falls have gone into operation and new equipment has reduced cost of production of bleached sulphite. Extensive improvements to the steam plant at Sault Ste. Marie have been made. Plans and manufacture of equipment for projected speed-up of the Pine Falls mill are being carried out on schedule.

Company's management contract with Tasman Pulp & Paper Ltd., New Zealand, is working out satisfactorily, says President D. W. Ambridge.

Capital expenditures in 1954 totaled $7,246,492 as against $4,539,643 in previous year. One of the paper machines at Sault Ste. Marie was equipped to make catalogue and directory paper. A high yield sulphite digester was brought into operation at Fort William to make a new type chemical pulp. The forest laboratory on company's freehold properties at the Lakehead was opened in 1954, and the all-weather logging road at Iroquois Falls was completed.

Company redeemed the $1.50 preferred stock in July, 1954 at $25 per share, issued $13,750,000 (550,000 shares) of 4½% cumulative redeemable preferred stock and $10 millions in 4% first mortgage bonds in June, 1954. Outstanding 4¼% convertible debentures were retired in full in Jan. 1955, by conversion into common shares or by redemption at $103.65.

Capitalization outstanding at June 30, 1955, included $2 millions 3½% Series A first mortgage serial bonds due 1956-57; $19,246,000 3½% A first mortgage sinking fund bonds, due 1967; $10 millions 4% Series B first mortgage sinking fund bonds, due 1974; 550,000 preferred shares, $25 par (total $13,750,000); and 4,163,218 npv. common shares.

Anglo-Canadian

Anglo-Canadian Pulp & Paper Mills, Ltd. produces newsprint paper, paperboard, and unbleached sulphite pulp at its Quebec City mill.

Total production at the Quebec mill was 305,641 tons in 1954 against 299,330 tons in 1953. This included 226,669 tons (226,760) newsprint, 58,700 tons (53,387) saleable unbleached sulphite pulp, and 20,272 tons (19,183) paperboard. At Dryden mill 70,715 tons of kraft pulp and paper were produced.

Capital expenditures totaled $3,404,784 ($2,866,666 in 1953).

At the Quebec mill, conversion of the steam plant from coal to oil was completed. A newsprint storage shed was built costing $265,878 and $171,002 spent in providing additional groundwood refining equipment.

A storage dam at Lake Sault-au-Cochon, to facilitate driving and loading operations, was built at cost of $276,731.

At Dryden mill $781,019 was spent in completing expansion program undertaken in 1952. Further expansion is contemplated for completion by mid-1957. This includes construction of a bleach plant with expected capacity to bleach 92,000 tons of the mill's anticipated 142,000 tons of marketable production.

Total sales were $43,373,482 ($32,550,414).

At Dec. 31, 1954, working capital increased to $15,743,871 as compared with $10,339,236 at the same time last year.

On Dec. 15, 1954, the outstanding 4% first mortgage bonds and 5¼% debentures of a subsidiary, Dryden Paper Co., were redeemed. Funds for this redemption and to meet in part cost of development program were provided through sale of $14 million 4¾% debentures of which $8,225,000 were then issued.

Company is said to be interested in the possibility of establishing a pulp and paper mill near Sioux Lookout, Ont. It is reported to have dropped its plans for the construction of a paper mill in Northern Saskatchewan, due to the transportation problems involved.

In October 1954, Dryden Paper Co. was granted a license on an additional area of about 3,783 sq. miles of forest by the Province of Ontario.

President E. M. Little said in the annual report that with a steady increasing demand for Canadian newsprint and pulp "a year of high production and satisfactory operation" is expected in 1955.

Anglo-Nfld.

Anglo-Newfoundland Development Co. manufactures newsprint, unbleached sulphite and groundwood pulp, wrapper and laminated board, with an annual capacity of some 230,000 tons of newsprint, 15,000 tons of unbleached sulphite pulp and 4,500 tons of wrapper.

Through a wholly owned subsidiary, Terra Nova Properties Ltd., extensive mineral and mining rights are held in Newfoundland, including a 50% interest in net profits of Buchans Mining Co. which operates a large base metal producing mine.

Another subsidiary, Gaspesia Sulphite Co. has an annual capacity of about 90,000 tons of bleached sulphite pulp.

Hydro-electric power plants are operated on the Exploits River, both at Bishops Falls and Grand Falls. Present installed capacity is over 75,000 hp. and another 50,000 hp. undeveloped power is available.

Timber limits total some 7,456 sq. miles partly freehold and partly Crown lease.

Under arrangements completed with Ontario authorities, the company is undertaking a survey of the Sioux Lookout area of Northern Ontario under an 18-month license. The Government this year announced a new $35 to $50 million pulp and paper industry for this area. Construction of a mill was expected to begin within 18 months of the April 1 announcement.

Consolidated net profit for 1954 was $3,631,516 compared with $2,935,986 for 1953. Parent company's net profit from newsprint and ancillary operations and investments was $2,148,625 ($2,448,831 in '53).

Company has also announced that plans are under study to increase the capacity of the Grand Falls mill to the full capacity of the company's timber limits to supply wood.

Working capital at Dec. 31, 1954, amounted to $19,519,167 against $19,133,658 at the same time the previous year.

Drop in earnings from newsprint operations in 1954 due to increased pulpwood and manufacturing costs and a further weakening of the U. S. dollar was more than offset by the increase in revenue from mining interests.

During the year, Gaspesia Sulphite produced 31,603 tons of unbleached sulphite pulp (54,176 in '53) and 42,483 tons of bleached sulphite pulp (14,426).

Montmorency Shipping Ltd., another subsidiary, which operates a fleet of chartered vessels carrying newsprint to American customers of parent company, showed profit of $2,335 in 1954 compared with loss of $43,008 in '53.

Bowater's

Bowater's Newfoundland Pulp & Paper Mills Ltd. owns and operates a newsprint plant, sulphite plant, barking plant and power development at and near Corner Brook, Nfld.

Products are sold for consumption in the U. S., the U. K., and and the British Commonwealth through subsidiary sales companies of The Bowater Paper Corp. and its associates.

Company's properties include a newsprint mill with four 234-in. newsprint machines, one 120-in. machine, and one 284-in. four-roll newsprint machine, having an aggregate capacity of more than 300,000 tons per annum. The company also owns a 150-in. sulphite pulp drying machine with an aggregate daily capacity of 175 tons or about 55,000 tons per annum.

Timber holdings cover more than 11,230 sq. miles, both Crown and freehold. Total stand is estimated at over 20 million cords of pulpwood.

Vice-president and General Manager H. M. S. Lewin reported the company, which since the war has increased output by 50%, is continuing its efforts to develop production still further. This has been achieved by an increase in speed and efficiency of existing equipment rather than by major new installations and by increases in the normal hours of operation. To achieve and maintain such increases demands heavy capital investment and a further long-range program of development has been instituted to be spread over the next few years.

The company's consolidated net profit was $5,580,531 for the 15 months ended Dec. 31, 1954, against consolidated net profit of $3,405,252 for the 12 months ended Sept. 30, 1953.

Throughout the 15 months, mills again operated to capacity, production was increased and sales, both in volume and value, were at record levels. Continued uptrend in manufacturing costs, including advances in wage rates and certain raw materials, was offset by increased efficiency and appreciable savings in delivery expenses.

A new company, the Bowater Power Co., has been incorporated in Newfoundland to acquire and operate the hydro-electric development owned and operated by Bowater's Newfoundland, and to acquire the undeveloped waterpowers and the water power rights now owned by that company. Assets taken over by the power company have been appraised at more than $34 millions.

Working capital of Bowater's Newfoundland at Dec. 31, 1954, amounted to $25,641,074 against $24,247,022 at Sept. 30, 1953.

Can. International

Canadian International Paper Co., a wholly owned subsidiary of International Paper Co., New York, manufactures newsprint and bleached and unbleached sulphite pulp. Newsprint produced consists of about 85% groundwood pulp and about 15% sulphite pulp. About 80% of the newsprint output is sold to publishers in the U. S. and the balance in various countries, principally England, Australia and Latin America.

Bleached sulphite pulp is manufactured at three mills which produce special grades of bleached sulphite pulp used as raw material in the manufacture of rayon, Cellulose film, plastic and allied products. Some bleached sulphite is used by paper mills of the parent company and its subsidiaries in northern U. S.

Its kraft pulp mill at La Tuque, Que., has an annual capacity of about 175,000 tons. Approximate aggregate annual capacity of other company and subsidiary plants on a 309-day basis is 1,096,900 tons of which 821,900 tons are newsprint and 275,000 tons are bleached and unbleached sulphite.

A new record production of 845,000 tons of newsprint was set in 1954. This reflects partial completion of a $42 millions post-war expansion of newsprint facilities which by 1956 will bring the company's newsprint manufacturing capacity 920,000 tons per annum. This will represent a 60% increase in capacity over original designed capacity, equivalent to a new mill capable of producing 1,200 tons per day achieved by speeding up existing machines.

Properties of the company and its subsidiaries include the Trois Rivieres and Gatineau newsprint mills in Quebec, the Dalhousie newsprint mill, steam and steam-electric plants in New Brunswick, bleached pulp mills at Temiskaming, Que. and at Hawkesbury, Ont.

Timber holdings comprise 23,000 sq. miles, largely in Quebec. The company states these holdings are considered adequate to provide for the requirements of the present mills in perpetuity.

Company subsidiaries include: New Brunswick International Paper operating a paper mill at Dalhousie, N.B.; Continental Paper Products, Ltd. making paper bags, boxes and specialties, drinking cups and other paper products at its Ottawa plant; International Fibre Board Ltd. manufacturing "Ten/Test" insulating building board at its Gatineau, Que. plant; International Plywoods Ltd. producing hardwood panels at its Gatineau, Que. plant; Industrial Cellulose Research Ltd. does research in Cellulose products, rayon, paper, etc.

CIP last year acquired for $39.2 millions properties of Brown Corp. in Canada including the La Tuque, Que. kraft plant. During 1954, it also acquired substantially all outstanding shares of Commercial Alcohols Ltd. for $1.7 millions.

Planned capital investment in plants will require some $11.8 millions, of which $6,750,000 has been allocated to a speed-up program at newsprint plants. In addition, $16 millions will be spent at the La Tuque plant for a kraft liner board and kraft paper machine.

CIP also plans a new $2 million plant to produce special containers at Pointe Aux Trembles, Que. It is scheduled for completion by late 1955.

It has made arrangements to acquire all outstanding shares of Hygrade Containers Ltd. which makes corrugated shipping containers at its London, Ont. plant. Hygrade will operate the Pointe Aux Trembles plant.

Parent company showed consolidated net profit of $67,475,584 for 1954, 15.3% higher than 1953's $58,542,518. It had a near record production and record dollar sales.

Canadian production in tons totaled in 1954 1,118,844 (1,071,725) and includes newsprint 845,381 (820,611); dissolving and other pulps, 269,504 (246,854); and miscellaneous papers 3,959 (4,260).

For the first six months of this year, the parent company showed consolidated net profit of $38,590,953, 19% higher than the $32,425,956 for the same period last year.

Cons. Paper

Consolidated Paper Corp. is one of Canada's largest producers of newsprint and pulp and paper products.

The company owns five mills with a total daily capacity of some 2,487 tons of newsprint paper, 211 tons of kraft paper, 16 tons of kraft pulp, 37 tons of groundwood pulp, as well as cardboard wrapper, sulphite pulp and other miscellaneous products.

About 50% of the company's pulp and paper products are exported to the U. S. with considerable tonnage being sold and used in Canada. The balance is distributed to established markets in Great Britain, Eire, South Africa, Australia, New Zealand, the West Indies and India. Other export destinations are Mexico,

(Continued on page 51)

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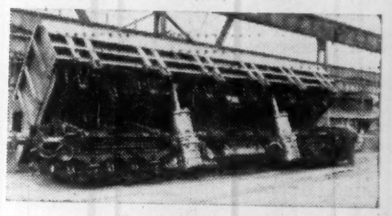

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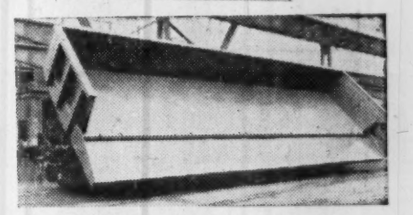

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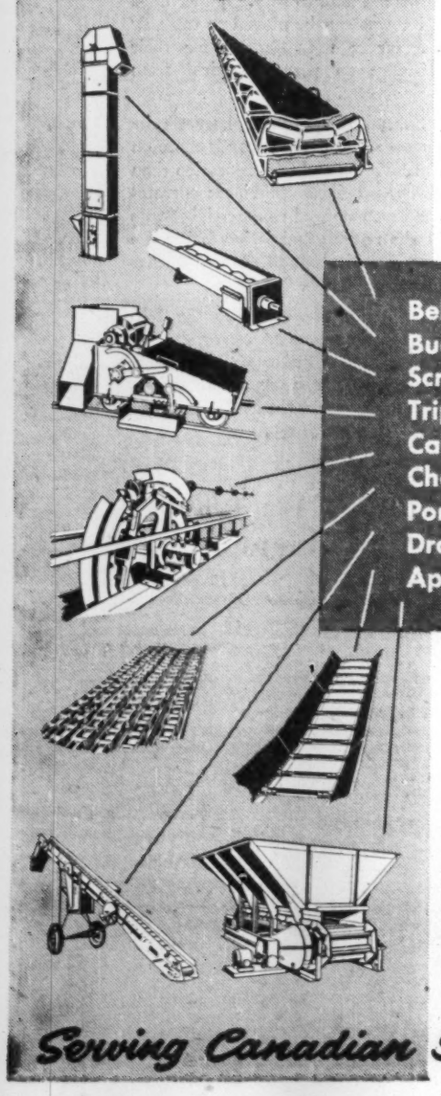

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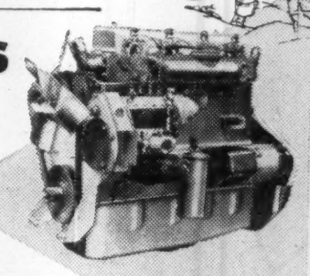

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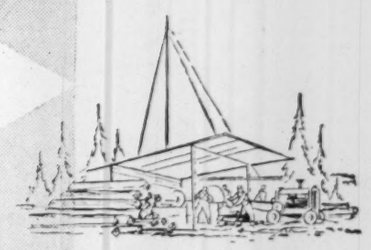

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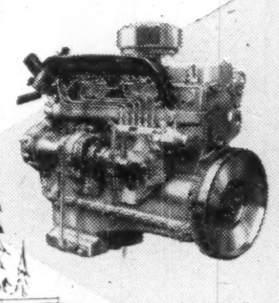

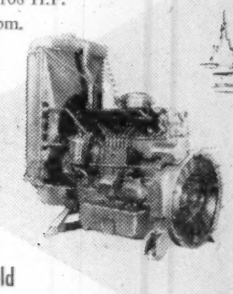

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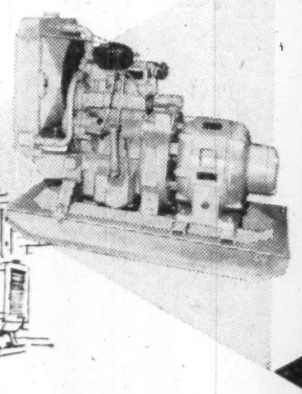

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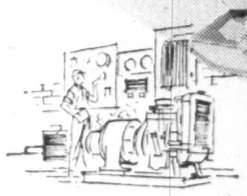

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Here's Record of the Newsprint Companies

(Continued from page 50)

Argentine, Brazil, Uruguay and Chile.

Paper mills are owned at Shawinigan Falls, Grand'Mere, Port Alfred, Trois Rivieres and Cap de la Madeleine, all in Quebec. Newsprint capacity in June, 1955, amounted to 765,996 tons annually.

The company controls 17,641 sq. miles of timber lands, of which 17,394 sq. miles are in Quebec and 247 sq. miles are in Ontario. It owns outright 3,649 sq. miles of freehold timber lands, including the Island of Anticosti; holds under license 13,992 sq. miles of Crown timber limits and has cutting rights on 38 sq. miles of other limits.

Products of the company include kraft wrapping paper sold under the name "Wayagamack Pure Kraft," cardboard sold under the trade name "Laurentide Board," and kraft paper towels under name "Capaco Kraft."

New plastics and other materials now being produced by the company as byproducts of pulp and paper manufacture include "copacite," a product made from pulp liquor formerly wasted, which is now being used by foundries, linoleum manufacturers, tanners and other industries; and "copaco splicing film" being used as a joining material by the paper and textile industries.

Capital expenditures in 1954 for replacements, improvements and expansion in manufacturing divisions amounted to $2,575,353. Newsprint capacity was increased by 24,000 annually during the year. To maintain operating efficiency, $5,786,069 was spent on maintenance and repairs. Approved but unexpended appropriations for both manufacturing and woodlands divisions stood at $7,545,000 at Dec. 31, 1954.

An expansion program which will raise the annual capacity by some 100,000 tons through installations of vacuum pickup equipment on nine machines was announced early this year. Outlay for the units will be about $3,500,000 but as increases in ancillary equipment are needed, it will cost much more to complete the program, which is to be financed entirely out of earnings.

Net profit increased to $11,848,327 in the year from $10,982,104 the previous year. During the six months ended June 30, 1955, net profit was $6,798,352 against $5,436,452 in the same period in 1954.

After giving effect to a two-for-one stock split, capitalization at May 6, 1955, amounted to an authorized 7,000,000 common shares npv. of which 5,132,484 shares were outstanding.

The company now has no funded debt as a result of redemption of all outstanding 3½% first mortgage bonds, effected on Feb. 1, 1955.

Working capital at Dec. 31, 1954, amounted to $52,105,016 compared with $50,347,805 at the end of 1953.

Operations of the Laurentide division, Grand'Mere, Que., and Belgo division, Shawinigan Falls, Que., were adversely affected by strikes this summer.

Crown Zellerbach

Crown Zellerbach Canada Ltd. operates newsprint, pulp and paper plant at Ocean Falls, 350 miles north of Vancouver, and a paper converting plant in Vancouver. Through a subsidiary, Canadian Boxes Ltd., it manufactures corrugated and solid fibre shipping containers.

Other subsidiaries are Hudson Paper Co., distributors of paper products operating in western Canada; and Northern Pulpwood Ltd., a log-procuring agency with logging operations on Queen Charlotte Islands, Vancouver Island and in the vicinity of Ocean Falls.

Company was incorporated in British Columbia as Pacific Mills Ltd. In 1950, it joined on an associate basis with Canadian Western Lumber Co. to form Elk Falls Co. for construction and operation of a newsprint mill at Duncan Bay, B.C. In 1953 Crown Zellerbach Corp. of San Francisco acquired control of Canadian Western. Early in 1954, company's Canadian operations were coordinated under name of Crown Zellerbach Canada Ltd. with executive offices in Vancouver.

Sales in the fiscal year ended April 30, 1954 amounted to $30,944,388. Tonnage of all sales was 165,047 tons while newsprint was 85,194 tons.

A new $4 million paper converting plant and box factory is under construction on Lulu Island, on the Fraser River near Vancouver. New plant will have a $600,000 paper corrugating machine which will be the most modern in Canada. Plant is scheduled for operation by next March. It will combine under one roof present operation of Crown's Vancouver converting division and its subsidiary Canadian Boxes Ltd.

During summer company bought Bartram Paper Products Co. of Vancouver at a price in excess of $1 million. Bartram is a paper converting firm.

Company is now using pulp chips from Canadian Western's waste wood to make paper at its Ocean Falls and Elk Falls mills. Logs which were formerly sold are being made into lumber and plywood.

Company plans call for expenditure of approximately $30 millions during next two years for capital improvements. To provide for these expenditures company and Canadian Western Lumber Co. has suspended payment of dividends on their common stocks.

Donnacona

Donnacona Paper Co. operates a newsprint mill with groundwood and sulphite pulp plant near Quebec City, Que. It also manufactures insulating board and acoustical board. Control of the company is held by Howard Smith Paper Mills.

About 90% of the company's newsprint output and about 55% of its sulphite pulp available for sale is sold in the U. S. Sale of insulating board is world-wide.

It owns in fee or leases timber lands adjacent to the St. Lawrence River and comprising practically all the stand in the watersheds of the River Jacques Cartier, River Sault au Mouton and the Bersimis River in Quebec, aggregating about 1,721 sq. miles, estimated to contain some 12,600,000 cords of pulpwood.

Of the total held under lease or freehold, 752 sq. miles is the company's share of the Bersimis timber lands purchased by Donnacona and Anglo-Canadian Pulp & Paper Mills in 1947 from Brown Corp.

Capacity of the three newsprint machines is 105,000 tons per annum, of newsprint paper. Capacity of the sulphite pulp mill is 58,000 tons per annum while capacity of the groundwood pulp mill is 88,000 tons annually.

Directly or through its subsidiary, The D. P. Power Co., the company owns water power on the Jacques Cartier River at its junction with the St. Lawrence with a present development of 12,000 hp. and an ultimate capacity of 46,000 hp. Balance of power requirements is purchased under an agreement with Shawinigan Water & Power Co.

Howard Smith Paper Mills Ltd., which acquired controlling interest in the company in 1948-49, increased its holdings to 368,221 common shares, 97% of the total, through acquisition of a further 1,500 shares in 1954.

Howard Smith showed consolidated net profit of $5,020,256 for 1954, 6.7% higher than consolidated net of $4,703,018 in 1953.

Capital expenditures at Donnacona in 1954 included extension of the finishing room building; construction of a pyrites plant for the generation of sulphur dioxide to replace imported sulphur.

Donohue Bros.

Donohue Brothers Ltd. owns and operates a pulp and paper mill at Clermont, Charlevoix County, Que.

Present newsprint output is entirely sold under long-term contracts. The company also manufactures mechanical groundwood pulp, also sold under long-term contract.

The company benefited from favorable newsprint market conditions in '54 with operations at full capacity and complete disposal of production. It has an annual rated capacity of 70,000 tons of newsprint with completion of a modernization and expansion program last year. Newsprint production in 1954 amounted to 69,509 tons against 65,693 in 1953.

Mechanical groundwood operations showed improvement with slightly higher volume and increased earnings. Pulp production was 8,875 tons in 1954 against 7,817 in 1953.

During the year $230,000 principal amount of first mortgage bonds was retired. Net balance at Dec. 31, 1954, amounted to $2,990,000.

Total replacement cost of fixed assets is estimated at $12,017,227 at the close of last year, an excess of $9,267,124 over book value Dec. 31, 1954.

Working capital at Dec. 31, 1954, amounted to $3,980,675 compared with $3,599,279 at the end of 1953.

Donohue Brothers Ltd. and its wholly owned subsidiary companies for the six months ended June 30, 1955, report estimated consolidated net profit of $427,841 against $393,292 for the like period of 1954.

Elk Falls

Elk Falls Co. was incorporated in 1950 to manufacture pulp and paper in a new mill at Duncan Bay, Vancouver Island. It is owned jointly by Canadian Western Lumber Co. and Crown Zellerbach Canada Ltd., both of which are subsidiaries of Crown Zellerbach Corp., San Francisco. The new company purchased all the shares of Canadian Western Timber Co. which was formerly a wholly owned subsidiary of Canadian Western Lumber Co.

Company is to sell to Crown Zellerbach a minimum of 60,000 tons of newsprint per year for a minimum of 10 years. This is then sold in the U. S. and 97% of the average net realization per ton of Crown's total U. S. sales of newsprint is paid to Elk Falls. The 3% is retained for selling and assuming credit risks.

A contract was let this summer covering the first phase of construction in company's $28.5 million expansion program at Duncan Bay. This phase will cost $15 millions and will include building of an addition to the wood room, buildings and machinery for the 400-ton kraft mill, building of conveyors from the pulp machine to the loading dock as well as from the bleach plant. The second phase will involve expansion of the kraft mill to 500-ton capacity, installation of a second paper machine, and a new dock and sawmill.

Production on the new paper machine is scheduled to begin in mid-July, 1957, at which time the redesigned kraft mill will also be in full operation. New machine will make bleached, semi-bleached kraft papers and newsprint largely for domestic consumption.

The Duncan Bay Mill, which first went into production in 1953, is now producing newsprint at a rate of 100,000 tons annually.

Consolidated net profit for the year ended April 30, 1955, was $1,189,488, the profit being $1.31 per share.

Great Lakes

Great Lakes Paper Co. manufactures newsprint and unbleached sulphite pulp at its plant on the Kaministiquia River, west of Fort William, Ont. It has full facilities for rail and water shipments.

Annual mill capacity is now 154,616 tons of newsprint and 60,000 tons of unbleached sulphite pulp. Two newsprint machines are installed.

Company has two subsidiaries — Superior Timber Co., which is wholly owned, and Patricia Lumber Co. which operates a saw and tie mill and has valuable timber cutting rights under a long-term agreement with the Province of Ontario. The timber areas are adjacent to the areas held and operated by Great Lakes.

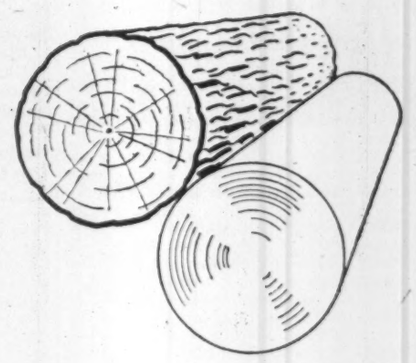
Newsprint shipments for the year amounted to 158,782 tons valued at $18,283,400. This compares with 157,993 tons and $18,225,420 in 1953. Sulphite and other wood pulp sales of 20,224 tons valued at $2,094,033 were down from 24,311 tons valued at $2,638,892 in 1953.

A $20 million expansion program is now under way with completion expected in the latter part of 1957. Chief feature is addition of a third paper machine which is designed to produce 90,000 tons of newsprint a year and which will increase newsprint capacity to 245,000 tons per year. Arrangements for financing this program have been completed.

Company is taking over its own marketing of newsprint as a result of termination of a 20-year-old contract with Great Lakes Canadian Inc., a U. S. firm. Contracts with publishers are being turned over to company, instead of being handled by sales firm.

On June 30, 1955, company redeemed $1,721,000 first mortgage bonds due 1966 and on Aug. 2 redeemed $1 million due 1967. Redemption was paid out of cur-

(Continued on page 53)



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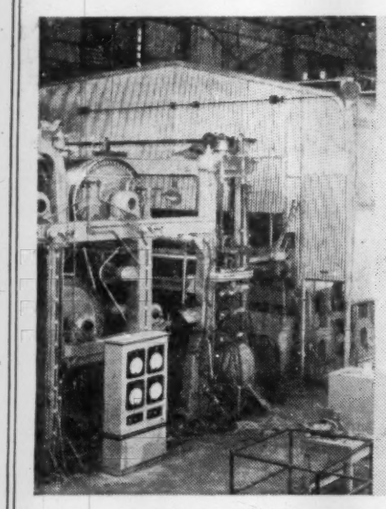

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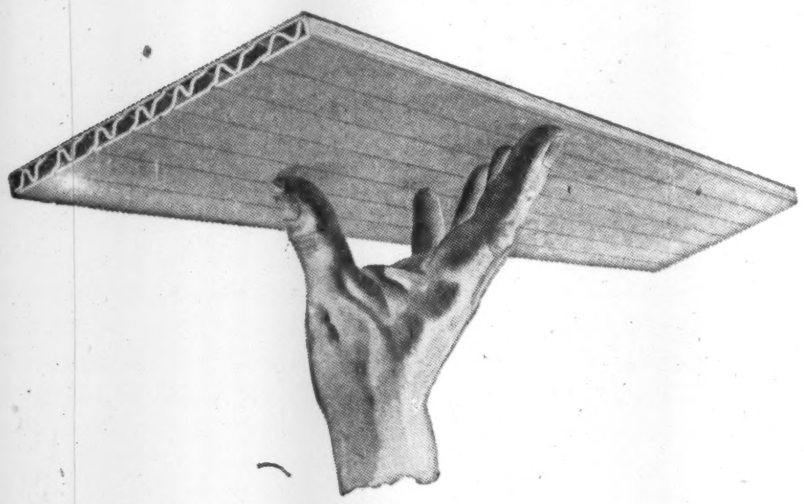

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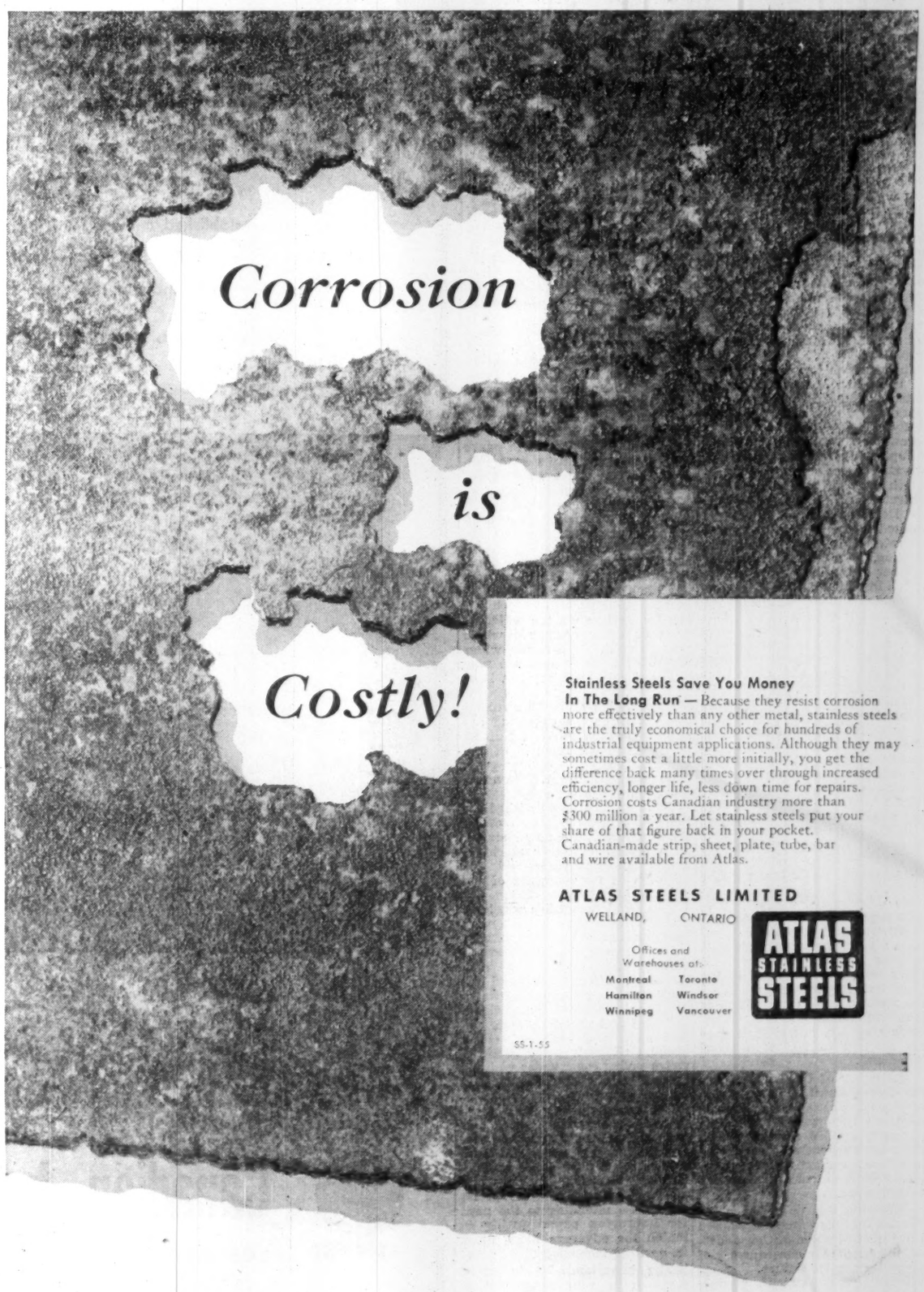

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How Science Cuts Pulp, Paper Costs, Boosts Efficiency

(Continued from page 47)

therefore considerable effort is being directed toward improving the manufacturing techniques and the quality of this product. A comprehensive study of the manufacturing techniques of groundwood (which constitutes 75-80% of newsprint) has been initiated. This program is directed toward improving the quality of this very important constituent of newsprint in its strength, printability and formation properties and particularly in its uniformity.

This study of groundwood is being augmented by a parallel study of the techniques which are used on the paper machines to form the sheet of newsprint.

These latter studies are particularly directed toward obtaining the maximum uniformity possible. This uniformity should result not only in better operation of the paper machines, but also in improved performance in the press rooms where the newsprint is used.

In devising means of obtaining this greater uniformity, comprehensive hydrodynamic studies of mixtures of pulp suspensions were made. This has led to improved methods of distributing the stock uniformly upon the Fourdrinier wire upon which the newsprint sheet is formed. The Hydraulics Laboratories of the National Research Council, Ottawa, have been of great assistance in these hydrodynamic studies.

One of the major expenditures of research effort has been in the development of articles of commerce from spent sulphite liquor, which has constituted the industry's largest waste. This research culminated in the construction of the plant of Lignosol Chemicals Ltd. at a cost of $1.5 millions. Large tonnages of its products are used by the cement industry, the oil drilling industry, the tanning industry; and its markets and range of products are being expanded.

The companies support a co-operative program at PPRIC in woodlands research. The applied research which the companies conduct in their woodlands operation includes techniques which will improve the lot of its workers. This includes development of new types of camps featuring modern heating and a knockdown type of construction which allows portability.

Work has been conducted in the development and application of safety clothing, including the widespread use of hard hats. The companies are active in pursuing modern means of fire prevention and control. Use is made of long-range weather forecasting and the control of precipitation by rain-making techniques.

For many years the companies have been active in attempting the mechanization of logging. Their current efforts are directed toward improved methods of handling and transporting wood. Methods of transferring pulpwood from water to conveyors or carriers are being developed, including new methods of "clamming" out of water and jack laddering. Special emphasis is being applied to means of transporting wood from one watershed to another and to methods of barge transportation.

The research program includes the utilization of saw mill waste materials and the development of uses of wood species that are currently of little value.

Bowater's Newfoundland Pulp & Paper Mills Ltd. is a part of the Bowater Organization, and all research work for the Group is concentrated in the hands of Bowaters Development and Research Limited whose headquarters and laboratories are in England. In addition, it is a full supporting member of the Pulp & Paper Research Institute of Canada, and as such obtains the benefit of all the work that is carried out by that Institute. In this company, therefore, investigations are confined largely to operational research and to studies of immediate production importance.

Waste utilization and high-yield pulping are important subjects for study both on a local level, and also in central laboratories. At its Corner Brook mill considerable progress has been made in waste utilization through the refining of rejects from both the groundwood and sulphite mills. Any advance to high-yield must be a gradual process, and its objective at present is to work up gradually from full waste utilization to the higher yields.

No other major research projects are in hand which would be of general interest. There is always a vast number of individual projects in hand, as there is in every mill, and the work of the Technical Department on these has made a large contribution to the steady advance in mill output. Basic research, however, it does not attempt to tackle in Newfoundland.

The policy of **Consolidated Paper Corporation Ltd.** in respect to research has always been that its Research Department confine its efforts to applied research which can most efficiently be conducted in intimate contact with the problems arising out of operation and development.

Following this policy over the quarter century which has elapsed since the formation of Consolidated, the results are consequently of a strictly applied nature.

Briefly, Consolidated's production is chiefly in newsprint and kraft and, therefore, these productions have received the greater share of research and development and, in this field, some of the most important developments have been:

—The vortrap, which was the pioneer of wet cyclone classifiers for the removal of dirt from pulp, developed by the Research Department and first applied to a kraft paper machine in 1933. Its success in removing dirt and improving quality of paper rapidly led to its use in the newsmills of the corporation and then in all types of paper and pulp production throughout the world, the company says.

—The vortraps, (wet cyclone classifiers), now installed have a total capacity of 14 million tons of pulp annually which is a considerable part of the world pulp production. This pioneering development has been followed by variations in design but employing the same principle of high velocity wet centrifugal classification, so that other industries, notably the mining industry, have followed in extensive use of this principle.

Varied Pursuit

Some years ago specific attention was given to the development of a kraft towelling and wiping paper based on the presumption that a paper towel should be cheap enough to be considered disposable and that its wet strength should not be greater than was required for a single use. At that time kraft towelling was available which could be repeatedly used but the high wet strength called for was too costly to produce. The laboratory soon developed a readily applicable method for producing the desired degree of wet strength economically with the result that the corporation sales of towelling, since that time, have been quite extensive. This is sold under the COPACO trademark.

The troubles experienced by Consolidated and others through the use of gutta-percha tape in joining newsprint and other papers, caused by the deterioration of this type of splice resulting in loose paper on printing presses caused the Research Department to develop a new type adhesive which would be permanent and have other advantages. This is now well known and widely accepted by the paper industry in all countries and it is manufactured and sold by the corporation under the trademark "COPACO."

The Research Department installed a small unit to evaporate waste sulphite liquor to a dry powder and the product known as COPACITE has been produced and it is claimed that this is the pioneering production of this material in Canada. The market, however, is presently restricted to a comparatively small domestic demand for mainly adhesive uses, but a continual effort has been carried on to develop the much greater market to be found in road and other surface construction.

It is known that large quantities of sulphite liquor products have been used abroad for these purposes but the acceptance has been limited by the fact that these products are soluble and removed by rain, therefore lack permanence.

This problem has been attacked with vigor and it is now possible to produce this waste in dry powdered form in which it can be handled and transported in paper bags and mixed into a road surface whereon it becomes an insoluble and waterproof binder.

The problem of pitch control in newsprint production has been solved by the use of alkaline polyphosphates added in small amounts continuously in the stock system. Its effect is to counteract the pitch precipitating effect of positive ionic material which enters the system via the water or acids or other chemicals which may be used. As a result, wider ranges of wood species are now used and mill efficiency has been improved.

The attention of the Department was drawn to the operating advantages which might result by the simultaneous removal of dirt and dissolved and entrained gases from paper-making stock in a modification of the vortrap.

This has been accomplished for the first time in one unit called the Vorvac which is now installed on a variety of paper machines and is rapidly receiving wid application in various parts of the world.

This development has now been brought to the stage where a news machine is being operated without the usual paper machine screens, without foam formation and, therefore, without the need for showers. Other advantages lie in quicker drainage of the stock on the wire and therefore improved formation, and increased couch vacuum without power increase, steam saving consistently with increased machine efficiency, and cleaner paper.

Contemporaneously with these factual developments, work has been and is projected by the corporation mainly upon efforts to reduce the cost of paper production by increasing efficiency and use of wide range of wood species while also attending to the need for improving paper quality to match the advances being made in printing technology.

The importance of industrial research is well recognized at

Pulp Production Ahead of '54

	— Production — '000 tons		— Exports — '000 tons	
	1954	1953	1954	1953
Bleached Sulphite	957	843	704	623
Dissolving	428	426	368	383
Paper Grades	529	418	335	240
Unbleached Sulphite	1,605	1,551	351	350
Sulphate	1,389	1,221	845	706
Bleached	726	608	640	531
Unbleached	638	593	205	171
Other Wood Pulps	165	122	38	35
Chemical Screenings	66	63	4	3
Mechanical	5,337	5,065	224	282
Mechanical Screenings	35	37	6	6
Total all pulps	9,684	9,029	2,172	1,950

Canadian International Paper Co., Canada's largest producer of forest products. Cellulose extracted from trees is the basic material of this industry and the innumerable uses to which it has been adapted result from the marriage of chemical research to its manufacturing operations.

At Hawkebury, Ont., Industrial Cellulose Research Limited, a subsidiary of C.I.P., operates one of the world's outstanding wood pulp research centres. Here a group of more than 100 scientists and technicians working in a number of laboratories and two pilot plants have made significant advances in the field of cellulose research.

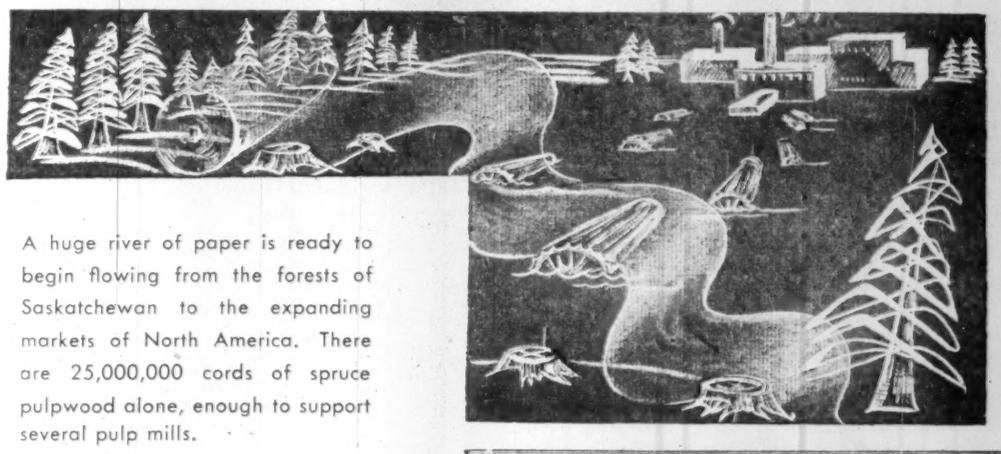
A major program presently under way at I.C.R. has to do with the utilization of waste materials.

For many years Canada's pulping experts have eyed sawmill waste such as slabwood as a source of dissolving or other types of pulps. When a suitable process is found it will be another step toward complete utilization of Canada's wood resources.

Sulphite waste liquor which results from the sulphite pulp process is an attractive research material. It is a vast store of complex organic chemicals which can be put to profitable use. Already sulphite liquor is used by Commercial Alcohols Ltd., a subsidiary of Canadian International Paper, with a modern plant adjoining the

(Continued on page 54)

SASKATCHEWAN FORESTS



A huge river of paper is ready to begin flowing from the forests of Saskatchewan to the expanding markets of North America. There are 25,000,000 cords of spruce pulpwood alone, enough to support several pulp mills.

Low wood extraction costs allow Saskatchewan a favorable place in expansive plans of paper industries.

Saskatchewan
INDUSTRIAL DEVELOPMENT OFFICE
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We've got news too, son....

For instance, we are making more and more newsprint for the newspapers you sell. By 1956 we'll be making 920,000 tons of it per year. That's a lot of newspapers for you fellows to carry around.

But the biggest news in our company right now, Mickey, is in the field of corrugated containers.

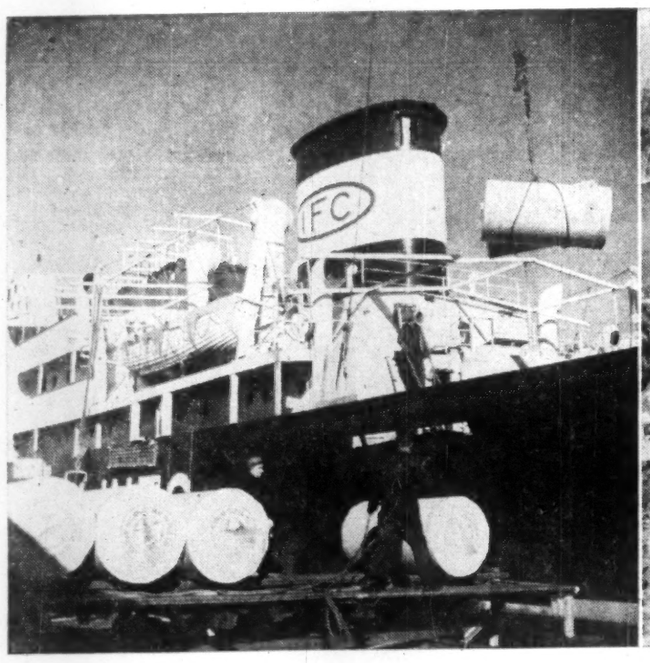
You may have seen headlines which told of our purchase of a large kraft mill in La Tuque? Well, our $15 million expansion of that mill is nearing completion.

Other headlines announced our purchase of Hygrade Containers Limited, a prominent firm in the field of corrugated containers with a modern plant in London, Ont.

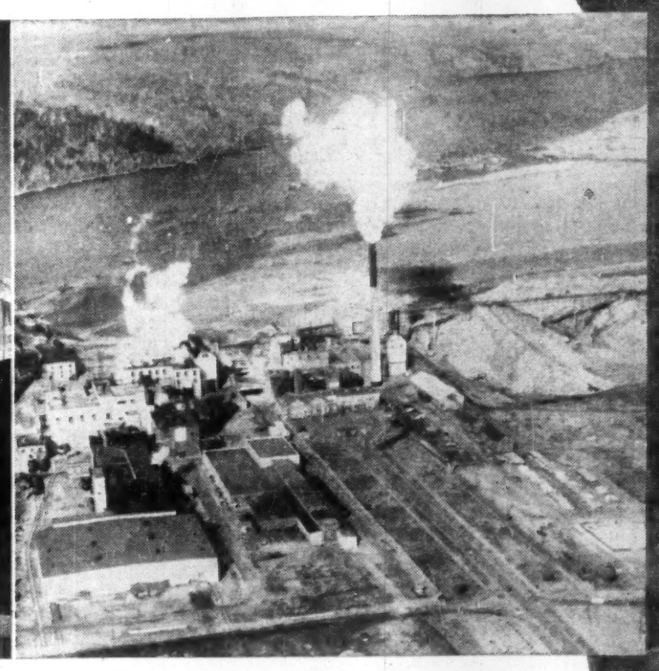
Soon Hygrade will operate a new $2 million plant near Montreal at Pointe-aux-Trembles.

Thus, we have established a closely-knit operation, from the tree in the forest to the packager for his goods, combining efficient use of raw material and dependability of service.

So you see, son, while you were selling your newspapers we were busy too.



Loading newsprint at the port of Dalhousie, N.B., which is now kept ice-free all winter.



The Canadian International Paper Company kraft pulp mill, La Tuque, Que.

Canadian International Paper Co.
SUN LIFE BUILDING, DOMINION SQUARE, MONTREAL, 2, QUEBEC

Progress Reports on Canada's Newsprint Companies

(Continued from page 51)

rent funds and simplifies company's position for financing current expansion program.

For the first half of this year, company's net earnings totaled $1,634,426, 19.7% higher than net of $1,365,334 in the same period of last year. Common shares earned $1.31 against $1.02 in previous first half.

Consolidated net profit for 1954 was $3,116,444, an increase of 4.8% over $2,973,088 for previous year. Earnings per share amounted to $31.16 on the class B shares ($17.95 on combined class A and B shares in 1953, class A shares were redeemed during 1954) and $2.43 on the common ($2.24). Dividends amounted to $1.25 on the class A, $1.20 on the class B, and $1.60 on the common.

Capitalization outstanding consists of $397,000 3½% first mortgage sinking fund bonds due 1966; 100,000 class B $1.20 cumulative preferred n.p.v. shares; and 1,200,000 n.p.v. common shares. Working capital stood at $8,063,433 ($10,471,704 a year earlier). Capital expenditures totaled $294,385 ($507,008).

James Maclaren

James Maclaren Co. is a wholly owned subsidiary of Maclaren Power & Paper Co. It produces newsprint and lumber products.

The company's newsprint and a new groundwood mill are located at Masson, Que., with another groundwood mill at Buckingham, Que..

The new groundwood mill, which went into production in April 1952, starting with four magazine grinders, now has two additional units. Ultimate capacity is 12 magazine grinders and when these are installed, the company will be able to discontinue use of 3½-mile wooden stave pipe line which brings groundwood from the Buckingham mill to the Masson paper mill.

Newsprint production in 1954 totaled 119,734 tons as against 110,432 tons in 1953. Consolidated net profit amounted to $2,819,854, which combines net profit of $2,378,528 for paper company and $441,326 for power company; previous consolidated net profit was $2,674,469, of which $2,172,591 was for paper company and $501,877 for power company.

Consolidated working capital at Dec. 31, 1954, amounted to $15,156,316 compared to $12,970,355 at end of previous year.

Mersey

Mersey Paper Co. owns and operates a newsprint mill with necessary groundwood and sulphite equipment, for the newsprint operation at Brooklyn, on Liverpool Harbor in Nova Scotia.

Current capacity is about 132,000 tons. Output last year was a record 138,006 tons, exceeding daily average of the previous year by 5.5 tons. Sales kept pace with production, resulting in a normal year-end inventory.

Additions and improvements to plants totaled $499,629 for the year, and funded debt was reduced by $200,000 to $600,000.

Hurricane "Edna" caused severe damage to timberlands in western N. S., but it is hoped that most of the fallen timber can be salvaged over the next two years.

The company owns over 900 sq. miles of freehold timber lands, estimated to contain about 2,400,000 cords of pulpwood. Additional freehold timber lands were acquired in 1948. The firm also buys pulpwood under a contract with the N. S. Government.

Practically the entire output is sold to customers of long standing under contracts extending for varying periods up to the end of 1958. It markets its products in the Maritimes, Great Britain, Australia, New Zealand, the West Indies, the United States and other countries. Operations have been maintained at or above rated capacity since the beginning of 1931 until the present.

Consolidated net profit rose to $3,058,331 for the year ended Dec. 31, 1954, from $2,683,181 for the previous year.

Consolidated working capital at Dec. 31, 1954, amounted to $6,602,555 compared with $4,239,743 at the end of the preceding year.

All outstanding 5% preference shares were called for redemption April 1, 1955, at $100 per share.

Minn. & Ontario

Minnesota & Ontario Paper produces and markets newsprint, specialty papers, kraft, insulating and building material, and other timber products in the United States and Canada. It also generates steam and hydro-electric power for use in its plants at International Falls, Minn., and Fort Frances and Kenora, Ont. In addition the National Pole and Treating Division operates plant facilities at Minneapolis, Minn., and Hillyard, Washington.

The markets served by the newsprint products of the company are mainly in the central portion of the United States, as are the markets for the pole, tie and wood treating products. For the other commodities handled by the company the markets are broader.

Company's Canadian mills are responsible for the entire newsprint output and about 25% of the other paper products. Company's eight paper machines have an annual capacity of close to 300,000 tons, of which 200,000 tons is newsprint.

Company believes that it controls sources of pulpwood that will supply its three paper mills in perpetuity. Company has Crown concession in Canada on about 3,427,000 acres, and controls about 290,000 acres in U. S.

Capital expenditures for plant modernization and improvement projects amounted to $5,280,936 in 1954. This included the new groundwood mill at Fort Frances which came into full operation in November, modernization of the sectional electric paper machine drives at Kenora, and installation of a chemical recovery boiler for kraft pulp mill at International Falls.

During 1954, newsprint production amounted to 193,139 tons, compared to 188,851 tons in 1953. Demand for newsprint was relatively strong during year.

Consolidated net profit for 1954 was $6,067,570, 8.4% higher than $5,687,358 in 1953. Earnings per share were equal to $4.72 ($4.42 in 1953). Dividends, paid in U. S. funds, were $2.10 ($2.00).

In the six months ended June 30, 1955, consolidated net profit was $2,862,024 ($2.22 per share), compared to $2,678,401 ($2.08) in comparable 1954 period.

The market for newsprint and specialty grades continues strong, and sales of Insulite required full mill production during first half. Sales and profits were affected by a strike at the International Falls paper and Insulite mill which lasted from June 8 to June 30.

Major power and steam generating improvements now under way include power generating facilities for new grinder room to be completed at Fort Frances late this year, and a new steam generating unit and topping turbine electrical generator to be completed at International Falls next year. These additions are part of diversification and modernization program that has cost more than $44 millions since 1945. A modern high speed paper machine and related plant additions having a capacity of more than 80,000 tons annually are to be installed at Kenora at an estimated cost of $16.8 millions. It is expected to come into operation during first or second quarter of 1957.

In March 1955, company sold $14 millions 3.30% sinking fund debentures, due 1975, to retire $6 millions 4% promissory notes and provide capital for expansion at Kenora. Other capitalization consists of 1,286,724 $5 par common shares, excluding 57,819 held in treasury.

N. B. International

New Brunswick International Paper Co. is a subsidiary of Canadian International Paper Co. It operates newsprint mill at Dalhousie, N.B., on Baie de Chaleurs. The daily capacity of the four paper machines totals about 836 tons (260,000 tons annually on a 309-day basis). A wrapper machine has daily capacity of about 28 tons.

The mill is fully equipped to produce all its own regular pulp requirements. Steam and electric power are purchased from Gatineau Power Co., with some supplementation from the company's own steam generating plant. Timber limits cover some 1,530,000 acres.

Financial and operating statements are consolidated with those of International Paper Co., New York.

Ontario Paper

Ontario Paper Co., Thorold, Ont., and its wholly owned subsidiary Quebec North Shore Paper Co., Baie Comeau, Que., are owned by the Chicago Tribune and the New York News.

The Thorold mill produces 625 tons of newsprint daily. Company also operates pulp sales plants at Thorold and Baie Comeau, with a combined capacity of 200 tons daily which is sold on the open market. Company contracts with the Beaver Co. to take the output of its newsprint machine, supplying necessary raw materials such as pulpwood, sulphite, and steam.

Wood supplies for the Thorold mill are obtained from the company's timber limits at Shelter Bay and Franquelin, Que.; Heron Bay, Lake Superior; and Manitoulin Island.

Financial and operating statements are not issued for publication as there is no public interest in the company.

For the main report on Ontario Paper see the pulp section.

Price Bros.

Price Bros. & Co. manufactures standard and vacuum dried newsprint, novel news, and transfer paper; patent coated, pulp boards, food container, bottle cap, tag, ticket, screenings boards; rough and dressed spruce lumber; boards, industrial and crating lumber and dimension stock.

The company owns and operates two newsprint mills, with necessary pulp manufacturing equipment, having combined annual capacity of about 470,000 tons of newsprint. Both newsprint mills operated at capacity during year but output of saleable paper was somewhat curtailed due to less satisfactory roll widths requested by U. S. customers.

The Kenogami mill in Quebec has a capacity of 250,000 tons annually and the other at River Bend, about 23 miles from Kenogami, has an annual capacity of 220,000 tons. The Kenogami mill is also equipped with cardboard and wrapping paper machine which has a capacity of 17,000 tons per annum. Products of this mill are wrappers, screenings board, pulpboard, egg case filler board, and imitation leather board.

The company also operates under lease the Jonquiere Pulp Co.'s cardboard and specialty mill with annual capacity of 30,000 tons. It also owns and operates three sawmills at Rimouski, Matane and Price which have a combined annual capacity of about 60,000,000 ft. board measure, plus 30,000 tons of sulphite chips.

It owns and operates water power plants, with an aggregate installed capacity of 150,200 hp. The power plants are at Shipshaw, Au Sable, Chicoutimi, Rimouski.

Completion of the hydro-electric development at Shipshaw, together with lower wood costs and greater production resulted in a decrease in power costs and increased earnings in 1954. Newsprint accounted for a major part of the increase. Board wood production increased slightly, but lumber output decreased. The company followed the policy of gradual increase in newsprint production through improvement in existing equipment.

All units of the new Shipshaw power development operated at capacity, delivering 80,000 hp. to the paper mills at Kenogami and River Bend.

Some loss in operating time due to shortage of orders was suffered by Jonquiere board mill in 1954.

Pulp and paper products shipped totaled 488,735 tons (481,122 tons in 1953) and lumber 47,285,000 board ft. (34,052,000 board ft.).

Consolidated net profit for year ended Dec. 31, 1954, was $8,075,890 against $6,068,532 the preceding year. Working capital at Dec. 31, 1954, was $39,123,279 against $30,193,645 at the end of 1953.

Results of the first three months of this year were encouraging and the company is maintaining a strong financial position, it was stated at the annual meeting.

Powell River

Powell River Co. is the largest producer of newsprint on the west coast, a large producer of sulphite pulp, and through its subsidiaries manufactures lumber and other wood products. Through wholly owned subsidiaries company has complete control of its production from standing tree to finished product.

Company operates world's largest newsprint mill at Powell River, about 80 miles north of Vancouver on B. C. coast. Products are used principally in Canada, the United States, Alaska, Hawaii, Australia, New Zealand, the United Kingdom and in the Orient.

Company owns or controls about 740 acres of timber resources, largely located along the north coastal area and the Queen Charlotte Islands. Company also owns a 450-acre experimental forest at Powell River. A second experimental area is being developed for study of logging and other extraction problems.

Hydro-electric developments of company total 95,000 hp.; comprising an installation of some 53,000 hp. at the Powell Lake watershed, and a power house at the Lois River watershed adjacent to the mill with two units of approximately 21,000 hp. each. Company also has an auxiliary steam plant of 7,200 hp. In 1953 company completed an improvement program for its power facilities and can supply sufficient electric power to take care of increased production of 340,000 tons of newsprint and 45,000 tons of pulp, with some reserves. Early this year company negotiated an agreement with B. C. Electric Co. to supply a block of power by late 1956; thus enabling an expansion in operations at Powell River.

Expansion program is under way and a ninth newsprint machine is scheduled to begin operation in last quarter of 1956. It will produce 90,000 tons annually, which, along with speedup of other newsprint machines, will increase present capacity by approximately 25%. Total cost of this development program is estimated at $20 millions. Working capital position has steadily improved and no outside financing is anticipated.

Application for a forest management license in connection with the Kitimat mill project has been conditionally approved by the B. C. Government. Survey and examination of possible sites and markets are proceeding in conjunction with Aluminum Co. of Canada, but will take some time, it is stated.

In 1954 company purchased Martin Paper Products Ltd., manufacturer of corrugated containers with plants at Winnipeg, Calgary and Edmonton. Early in same year company sold its sawmill at Haney, B.C. Construction of a fourth plant at New Westminster was started in September and came into production ahead of schedule in late March.

In the first six months of this year, consolidated net profit was $5,852,378 ($1.39 per share), or 18.5% higher than $4,939,216 ($1.18) in same period last year. Earnings in all divisions showed an increase over previous year and the tonnage of newsprint reached a new high.

The newsprint market is very strong with world-wide demand in excess of available supply, company production for second half of this year is already sold under contract. The pulp market improved during first half of 1955 and company expects that all tonnage available in second half will be sold, said President Harold S. Foley. Lumber prices are firm and a strong demand is expected for balance of year.

Production of newsprint for first half of 1955 increased to 196,597 tons from 184,628 tons in same period last year. Unbleached sulphite pulp, 15,816 (16,946), other pulp and paper products, 1,296 (1,410), and lumber products, 33,920,000 fbm. (31,580,000).

Sales were: newsprint, 192,752 tons (179,410); unbleached sulphite, 16,029 (15,543); other pulp and paper products, 1,350 (1,278); and lumber products, 33,124,000 fbm. (32,807,000).

Capitalization outstanding consists of 4.2 million n.p.v. ordinary shares.

Que. North Shore

Quebec North Shore Paper Co., a wholly owned subsidiary of the Ontario Paper Co. of Thorold, Ont., operates a modern newsprint mill at Baie Comeau, Que. The mill, constructed in 1938, was the first major industrial enterprise on the lower St. Lawrence North Shore and required complete townsite, mill, power, and woods developments.

The Baie Comeau mill has recently improved its newsprint machines through the addition of vacuum pick-up equipment and daily newsprint capacity is in excess of 525 tons. A pulp sales plant of 120 tons daily capacity is also part of the Baie Comeau operations. Wood supplies are provided by the extensive timber limits at Baie Comeau. The entire paper output is contracted for by the New York Daily News and the Chicago Tribune.

The company operates a power plant on the Outardes River with a capacity of 77,000 hp. and supplies the company's power requirements and also lighting and power facilities for the town of Baie Comeau. The company's properties in the townsite are operated by the Baie Comeau

(Continued on page 57)

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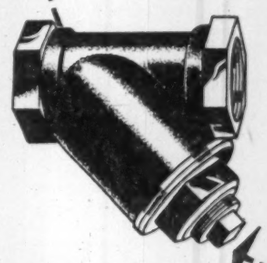

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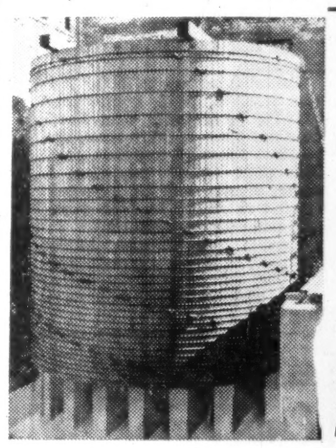

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Dominion Engineering Company, Limited
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Reports on the Building Paper Firms

Arborite Co.

Arborite Co. is a subsidiary of oward Smith Mills Ltd. It manu- ictures decorative paper base minate for wallboard and table nd counter top applications, pre- rmed laminates, such as the ew Curvatop domestic counter p, and range of paper and oth laminates for electrical and her industrial uses.

The company was formed in '47 and occupied a new plant at ille la Salle near Montreal in '48. During 1954, it installed a ew, large hydraulic press.

In the parent firm's annual re- ort, it is pointed out that to ex- nd the sale of "Arborite" in e U. S. market, an arrangement as reached with Consolidated ater Power & Paper Co. of Wis- nsin Rapids, Wis., for manu- cture in the U. S. of a product milar to Arborite, the general me under which the company's oducts are sold.

For this purpose a new com- ny bearing the name of Conso- eld Corp. was formed of which oward Smith owns 26% of the sued capital stock and Consoli- ted Water Power & Paper Co. %. A modern plant, built and uipped at Wisconsin Rapids in 54, is in operation.

The report said demand for oth "Arborite" and insulation oard held up well in the past ar, and present indications int to continued good demand r both products in 1955.

Howard Smith's consolidated t profit for 1954 was $5,020,256, 7% higher than consolidated t for 1953 of $4,703,018.

Operating statistics of the com- ny are consolidated along with ose of Howard Smith Paper ills Ltd., covered in the fine aper section of this issue.

Building Products

Building Products Ltd. pro- ces asphalt shingles and tiles, ll roofing, roofing felt, wall- oard, insulating board and sid- gs, building papers, expansion ints, waterproof paints and ments, fire-retardant coatings, d allied products under the ade names: B.P., Neponset, uberoid, Bird's, Vulcanite, sul-Board, Insul-Bric, Insul- oard Dry Wall, Albi, etc. Over different types of roofing and her building materials are mar- ted.

Since 1947, the company has en the prime distributor of berglas building insulation, ade by Fiberglas Canada Ltd., shawa, Ont.

The company carries on export ade with Great Britain and her countries.

At Pont Rouge, Que., the com- ny has a two-machine paper ill with additional facilities re- ired for conversion of a portion the paper output into wall- oard and insulating board. At ontreal (Ville La Salle) is a ofing plant for the production asphalt roofings, shingles and dings, in various forms, also ilding papers. At Hamilton, nt., is another roofing plant for oduction similar to the Mont- al one and including asphalt e floorings.

At Winnipeg, it has a one- achine paper mill with facilities r conversion of portions of the per output into wallboard and sulating boards. It also oper- es roofing plants at Winnipeg d Edmonton.

Net profit amounted to $1,587,- 007 compare with $1,710,778 the previous year. Reduction in net profit was attributed to heavy impact of fixed charges and start- ing up expenses on the Edmonton mill, with very little offsetting production for sale. President L. F. Long said the mill should con- tribute substantially to profit position in '55.

Capital expenditures for fixed assets during 1954 amount to $1,- 427,227 compared with $1,173,852 for 1953.

The principal project completed was the new paper mill at Ed- monton. An extensive restyling program was undertaken and the products were introduced to the public early in January, 1955.

Residential building activities, which were rather slow at the beginning of 1954, increased dur- ing the year and the carry-over into 1955 of houses under con- struction was substantial. For the first two months of 1955 sales showed moderate improvement over the same period in 1954, and conditions are considered favor- able for a good rate of housing construction throughout 1955.

Early in 1955, company's paper mills were reported operating at a rate in excess of current needs, to build up inventories against expected demand in the busy sea- son.

Working capital at Dec. 31, 1954, amounted to $6,238,935 com- pared with $6,410,102 at Dec. 31, 1953.

Donnacona

Donnacona Paper Co., Donna- cona, Que., has manufacturing facilities which include an insu- lating board mill with an annual capacity of 100 million sq. ft. Donnacona is controlled by How- ard Smith Paper Mills Ltd.

The acquisition of an additional 1,500 common shares of Donna- cona Paper Co. during the year brought the total owned by Howard Smith to 368,221 shares, equal to 97% of outstanding com- mon shares.

Funded debt of Howard Smith and of Donnacona Paper was re- duced during the year by $796,- 000.

Products of the board mill in- clude rough cast and laminated insulating board; roof insulation and plaster lath; rough cast, smooth and colored boards; burl board for interior finishes; deco- rative specialties; Donnacousti sound-absorbing boards; asphalt- impregnated board; insulated brick siding; refrigerator and special industrial board; termite- proof board; and hard pressed board and tile.

New construction during the year included installation of the new super calendar for high finish Rototone gravure paper. An addi- tion to the board mill finishing room was made to facilitate han- dling of specialties.

It was reported that demand for insulating board held up well during the past year. For the main information on this com- pany, see the newsprint section.

Inter. Fibre Board

International Fibre Board, Ltd. is a subsidiary of Canadian Inter- national Paper Co. and manufac- tures "Ten-Test" insulating build- ing board, a wood fibre product.

Plant is at Gatineau, Que., and produces some 135 million sq. ft. annually. This includes "Ten- Test" insulating board, "Termite- Test" insulating board as well as acoustic board.

Distribution of its products is made by International Fibre Board and Plywood Sales Ltd., another C.I.P. subsidiary.

Total capitalization is $1.5 mil- lions of cumulative $100 par first preferred, 65,000 shares of $6 non- cumulative, and $5 par second preferred and 10,000 npv com- mon shares, all of which are issued and outstanding.

The company has a subsidiary, Tentest Fibre Board Co.

Operating statistics are consoli- dated along with those of Canadian International Paper Co., and International Paper Co. figures.

Masonite Co.

Masonite Co. of Canada, Ltd. is a joint undertaking of Canadian International Paper Co. and Masonite Corp., formed in 1939.

It manufactures all grades and types of hardboard products for sale in Canada and exports mar- kets other than the U. S. Capac- ity of Gatineau mill is 78 million sq. ft. per year of all kinds and grades of "Masonite" board, con- sisting of Masonite Presdwood both Standard and Tempered; Quartrboard; Temprtile; and Century of Progress Flooring.

The mill at Gatineau, Que., cost about $300,000, and has been in operation 15 years.

Authorized and outstanding stock includes 100,000 shares of $100 par, all owned by Interna- tional Paper Co., except direc- tors' shares.

Individual financial and operat- ing statements are not submitted for publication.

St. Regis Paper

St. Regis Paper Co. (Canada) Ltd., fully owned subsidiary of St. Regis Paper Co., New York, operates a plastics plant at St. John's, Que.

Its operation here includes a plastics plant which commenced operation in June, 1951, which produces laminated sheets, rods, tubes, molded and fabricated parts, decorative sheets and paneling. Panelyte is the com- pany's trade name for its plastics. This Panelyte plant uses paper, fabric and chemicals produced in Canada.

For the main write-up on this company see the board, tissue and specialty papers section of this issue.

Sidney Roofing

Sidney Roofing & Paper Co., Victoria, manufactures asphalt roofing and allied products, in- cluding asphalt shingles, insulat- ed sidings, plain and mineral- surfaced roll roofing, other types of building papers and a wide range of folding and rigid paper boxes.

Over 82% of capital stock, in- cluding all class B voting shares, is owned by Eddy Paper Co.

Plants are located at Victoria, and Lloydminster, Alta. Through National Paper Box Ltd., wholly owned subsidiary, company manufactures folding and rigid boxes at Vancouver. In February this year company purchased the five plants of Bishop Asphalt Paper Ltd., Portneuf Co., Que. Bishop Asphalt was a wholly owned subsidiary of Minas Basin Pulp & Power Co. and produces roofing products and rockwool in- sulation.

Sales offices and warehouses are maintained at Victoria, Van- couver and Nanaimo, B.C., Ed- monton, Calgary, Regina, Saska- toon, and Winnipeg.

Company plans to erect a new office building and plant on a site on B. C. mainland at a total esti- mated cost of $4.3 millions. Plant will have a multipurpose cylinder paperboard machine of 100 tons daily capacity with steam power system and foundations to pro- vide for probable future expan- sion.

Funds for this building pro- gram will be provided from $7 million new financing which com- pany undertook in August. The financing consists of $2 million first mortgage and collateral trust 4½% bonds 1955 series, maturing 1958-65, and $5 million sinking fund bonds due Sept. 1, 1975. Of remaining proceeds $1.8 millions will be used for retirement of outstanding company bonds and outstanding Bishop Asphalt bonds and preferred shares, and $1.2 millions for repayment of bank overdrafts and other loans.

Demand for roofing division products was about equal to that of 1953, said Vice-President and General Manager J. A. Craig. Net sales of roofing products of the company's own manufacture showed a minor decrease while roofing handled on an agency basis showed an increase. The paperboard division had substan- tial volume increase due to im- proved quality of production.

The converting division, made up of National Paper Box Ltd. and its subsidiary, Vancouver Paper Box Ltd., showed higher sales also.

Consolidated net profit for 1954 was $416,578, 28.9% higher than $323,118 in previous year. Earn- ings per class A share amounted to $8.33 ($6.46 in previous year) and $3.72 ($2.78) per class B share. Dividends of 90c were paid on the A shares in both years, and none on the B shares.

Capital expenditures totaled $240,000, of which approximately $200,000 was spent at the Sidney plants and the balance at convert- ing plant.

How Science Cuts Pulp, Paper Costs

(Continued from page 52)

Gatineau newsprint and pulp mill, to manufacture a high purity ethyl alcohol. Aside from its po- table value, the alcohol in dena- tured form is used in a great variety of products such as paint, lacquers, explosives, refrigerants and fuels.

Sulphite liquor can also be used effectively and at low cost for dust control on dirt and gravel roads and as binding substance for such roads. At Hawkesbury the liquor is made available to municipali- ties in the area for road spraying. The use of sulphite liquor for distillation or for other uses also results in a desirable decrease in the biochemical demand of pulp mill effluents.

Among the important functions of Industrial Cellulose Research are the fundamental studies on wood fibre structure, influence of growth factors and comparison of wood species for yield. Informa- tion obtained in such studies have a valuable practical application in studying the behavior of wood in the different stages of pulp manu- facture and of the pulp itself in the various processing steps.

Facilities of Industrial Cellu- lose Research Ltd. are distributed over three floors of two buildings adjoining the Hawkesbury mill. A pulp pilot plant occupies the full height of one building, with its 300 pound stainless steel digest- ers, bleaching equipment, beaters, and an 18 in. trim Fourdrinier machine on which the pulp is dried in a continuous sheet. In this plant were proved the new pulping proce- s now used in the company's mills.

The equipment of the optical laboratory includes a recording spectrophotometer used in re- search aimed at improving white- ness and in other comparison tests.

Another complete production unit on a reduced scale is found in a separate building housing the synthetic textile pilot plant. There, rayon yarn and cord are produced by the viscose process, other synthetic yarn is made by the acetate process, cellophane is manufactured, plastics are molded and tested.

The research laboratories of the **Fraser Companies Ltd.** are locat- ed at Atholville, New Brunswick, beside the bleached sulphite pulp mill of the company's subsidiary, **Resti uche Co.** There at present, a staff of two Ph.D.s, a chemical engineer, three chemists and 13 technicians, investigate and im- prove present company processes and explore new processes and procedures. Their w rk is devot- ed chiefly to the problems of pulp production.

The company manufactures un- bleached kraft pulp at its mill at Newcastle, N.B., and bleached and unbleached sulphite pulp and groundwood pulp at its Edmund- ston, N.B., mill. At the latter mill a greater portion of the unbleach- ed kraft pulp made at Newcastle is also bleached. The Atholville mill makes paper and dissolving grades of bleached sulphite pulp. With this varied production, the scope of the company's laborator- ies for research into pulping mat- ter is, thus, quite wide.

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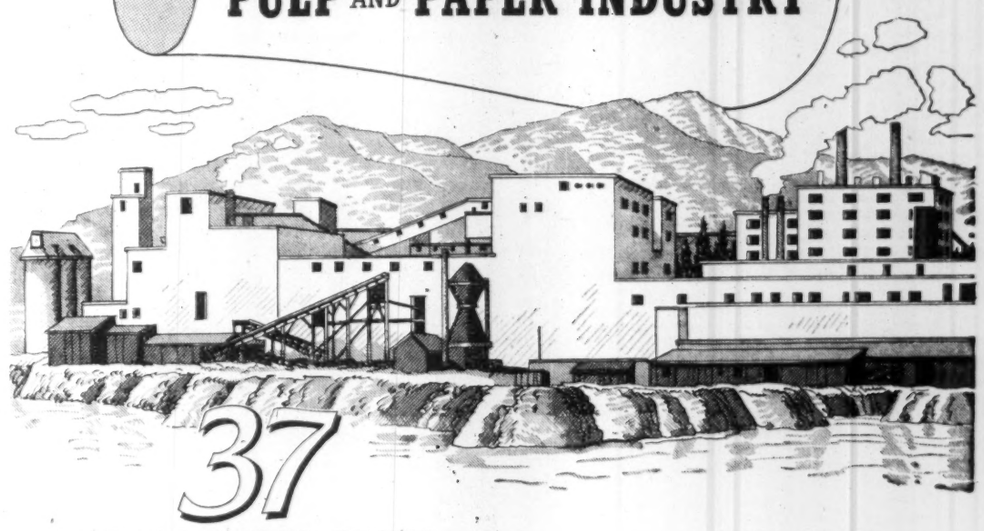

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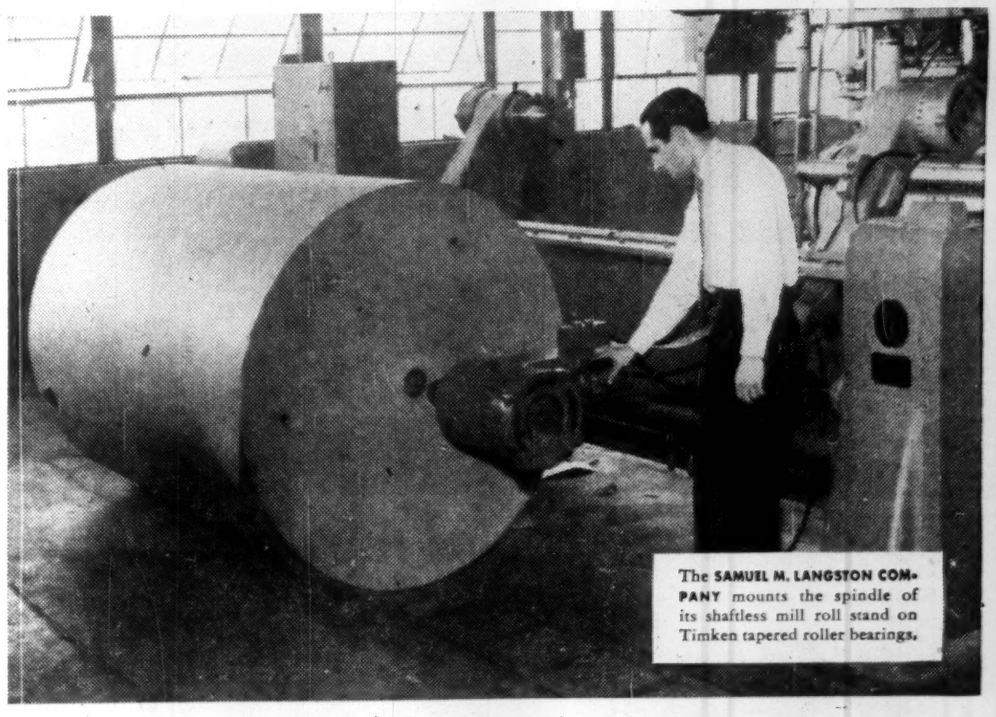

The SAMUEL M. LANGSTON COMPANY mounts the spindle of its shaftless mill roll stand on Timken tapered roller bearings.

Lifts heavy paper rolls, has TIMKEN bearings to take combination loads

TO pick up rolls of paper, this Langston shaftless mill roll stand uses cone-shaped spindles. They're forced under power into the roll cores and raised to proper position for un- winding. Timken tapered roller bear- ings on these spindles take the thrust loads from forcing the spindles into the cores plus the radial load of the weight of the paper. Here's why:

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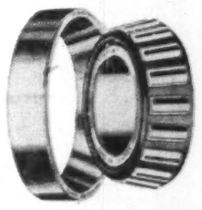

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The Newsprint And Pulp Price Record

Year	NEWSPRINT (N.Y.)	GROUNDWOOD PULP No. 1 Canadian	GROUNDWOOD PULP Scandinavian (dry)	SODA PULP Dom. No. 1 Bleached	SULPHITE PULP Bleached Dom. No. 1 Book	SULPHITE PULP Bleached Foreign Prime	SULPHITE PULP Unbleached Dom. No. 1 Book	SULPHITE PULP Unbleached Foreign Extra Streng	KRAFT PULP Bleached Dom. Northern	KRAFT PULP Bleached Foreign Prime	KRAFT PULP Unbleached No. 1 Dom.	KRAFT PULP Unbleached Swedish
	$	$	$	$	$	$	$	$	$	$	$	
1939	50	21-32	21½-42	†51	†50-54	45-60	‡40-45	34-50		50-70	35-45	26-43
1940	50	31-35	40-50	†58-66	†60-72½	60-85	†50-67½	52-75	65-85	70-95	45-70	45-75
1941	50	31-33		†66	†72½	80-90	†63½	70-75	85-90	90-100	70-75	75-80
1942*	50	45-46		66	72½-76		63½-66		86		73	
1943*	50-58	46		66	76		66		86		73	
1944*	58	46-50		66-72	76-86		66-74		86		73	
1945*	58-61	50		76	86	86	74	74	86	86	73	73
1946*	67-84	50-64		76-93½	86-107½	86-107½	74-94	82-94	97-107½	94-107½	73-89	73-89
1946 (Dec.)	84	$70-80	107½-110	105-110	105-115	115-165	85-95	95-133	100-110	110-120	80-95	90-95
1947	84-90	$75-85		110-125	115-125	120-185	105-115	120-165	110-135	125-185	95-125	89-145
1948	96-100	$80-85		130-135	126-135	165-195	125-130	140-165	155-185	165-190	120-135	127½-147½
1949	100	$60-67½		113-130	118-126	118-130	100-130	100-140	118-147½	125-165	82½-125	82½-127½
1950	100-106	$70-77½		115-130	118-135	118-160	100-117	100-160	118-141	126-160	82½-120	82½-160
1951	106-116	$85-110		140-155	135-160	175-225	140-150	153-200	135-200	180-280	140-155	153-250
1952	116-126	$60-100		140-145	145-160	140-225	135-140	115-200	145-190	142½-230	100-150	100-200
1953	126	$60-95		140	140-145	130-140	125-135	110-125	140-147½	137½-142½	95-135	100-105
1954	126	$60-95		140	137-140	135-142½	120	114-125	140-150	140-147½	100-135	105-110
1st Qtr., 1955	126	$75-80		140	140	140-145	120	125	142-147½	142½-147½	100-135	110-115
2nd Qtr., 1955	126	$75-85		142½-145	145	145-150	125	125	147-152½	145-147	110-145	110-115
3rd Qtr., 1955	126	$75-90		142½-145	145	145-150	125	125	147-152½	145-147	110-145	110-115

‡Where two prices shown, they represent high and low for the period. Prices are in U. S. dollars per air dry ton (2,000 lb.).
†Quoted "ex-dock Atlantic seaboard." ‡Quoted "delivered."

"Domestic" prices in 1952 are Canadian prices. Prices in the U. S. are not shown as U. S. pulp producers were selling under price ceiling regulations.

*From April 20, 1942, through Nov. 10, 1946, maximum prices for wood pulp and newsprint in the U. S. were fixed by the Office of Price Administration. Prices for European pulp were the same as the OPA maximum prices for domestic and Canadian pulp, plus freight charges over and above a fixed transportation allowance.

Note: There were no quotations for European pulp after September, 1941. Resumption of imports from Europe began in July, 1945. Prices for foreign pulp are quoted "ex-dock New York" or "ex-dock Atlantic seaboard" (except under OPA). Freight charges normally add $5-$10 a ton to pulp prices quoted "ex-dock." From mid-1949 to mid-1950, foreign pulp was quoted "full freight allowed."

Unless otherwise specified, domestic and Canadian prices are quoted "f.o.b. pulp mill" (with varying maximum freight allowances since December, 1946), except during OPA control when quoted "delivered," plus freight charges over and above specified maximum freight allowances. Quoted "full freight allowed" in most cases after July 1, 1949.

Source: United States Pulp Producers Association.

Some Labor Question Marks

Quebec Unions Move Towards Complete Unity

On the balance sheet, Eastern Canada pulp and paper unions generally scored gains this year in the midst of a turbulent Quebec situation.

On the one side, International AFL-TLC workers achieved:

—contracts extending to next April for five per cent wage increases.

—thwarting possible efforts to consider seven-day operations in the mills.

—membership gains in Quebec in former strongholds of the Canadian & Catholic Confederation of Labor.

On the other side of the ledger, there is a cloud of uncertainty which may be clarified in the near future. It may result in a move to achieve complete unity of workers in Quebec's pulp and paper industry.

The question mark surrounds the position of the 100,000-member CCCL. The answer may be provided at its annual meeting in Quebec City (Sept. 11 to 17) in which the problem of future policy will be threshed out.

This is the situation:

The CCCL has suffered setbacks in negotiations for new contracts. It aimed at a 10% wage hike in the face of AFL-TLC agreements for five per cent increases.

It was obviously aimed at increasing membership within their ranks but apparently has backfired. For example, at Consolidated Paper Corp.'s Grand'Mere and Shawinigan Falls plants its members went out when the attempts to negotiate a 10% increase failed.

It was termed an "illegal strike" in some quarters, the unions were decertified and international AFL-TLC organizers moved in. The latter now claim to have a majority of workers at both mills.

However, the CCCL obtained a brief of prohibition which prevents the Quebec Labor Relations Board from considering AFL-TLC requests for certification. Among other things, the CCCL has contended that Quebec legislation, which in effect says that a union can be decertified for taking strike action before going to conciliation or arbitration, is ultra vires. It shapes up as a long legal battle.

The union people who consider efforts may be made toward complete unity frankly admit this is still only ripples on turbulent waters. But they believe it is a strong possibility and base their argument along these lines:

CCCL wages are generally lower than AFL-TLC workers' in the pulp and paper industry in Quebec. Members, naturally, want parity. It adds up to possible rumbling within the ranks.

At the same time, AFL-TLC spokesmen argue they are in a better position to bargain because they are stronger. In Quebec, they say, they have some 20 mills compared with about 12 by the CCCL although membership runs about 8,000 workers each. Not only that, but they are in a strong position across Canada.

The pattern of collective bargaining in the pulp and paper industry of Eastern Canada has undergone a major change.

The shift from industry-wide to company-wide bargaining which was feared would bring about prolonged negotiations worked out well in practice. Some 80 agreements were signed in the pulp and paper and connected industries by the International Brotherhood of Paper Makers (AFL-TLC) in less than four months with a minimum of trouble and apparent satisfaction on both sides of the bargaining table.

The workers felt generally that they had been able to present their case on local adjustments much more effectively during bargaining sessions with their company. Companies voiced satisfaction at being able to submit their problems to their employees in a manner which had been impossible at industry-wide bargaining sessions.

The international unions in Quebec took the lead this year in setting the pattern for collective bargaining throughout Canada and the United States. Settlement reached with the Canadian International Paper Co. in early April this year set the pattern for the rest of the industry. This was contrary to past practice when the settlement reached with the Ontario group of mills had generally set the pattern. It was felt that CIP was the best spot to launch demands because of its size and the good profit position of the parent company in 1954.

The international unions in the Province of Quebec also put the dampers on the much-heralded fight for seven-day operations of pulp and paper mills in Canada. The Quebec and Eastern Canada Council of Paper Mill Unions (AFL-TLC) came out against seven-day operations and was strongly supported by Premier Duplessis with the result that the seven-day operation wasn't even discussed during negotiations except in Newfoundland where the workers turned down the offer of the companies.

Union opposition followed these lines:

If seven-day operations were instituted from Manitoba to Newfoundland, it would have increased production at a conservative estimate of 600,000 tons or 10% this year from 1954. New machines and speed up of existing machines would further add perhaps 300,000 to 350,000 tons in the year. This would total almost one million additional tons.

Union leaders wondered if the world market would absorb this newsprint. They came up with the answer as no. Their decision, of course, was made in the early part of this year when the 1955 pattern of demand was uncertain.

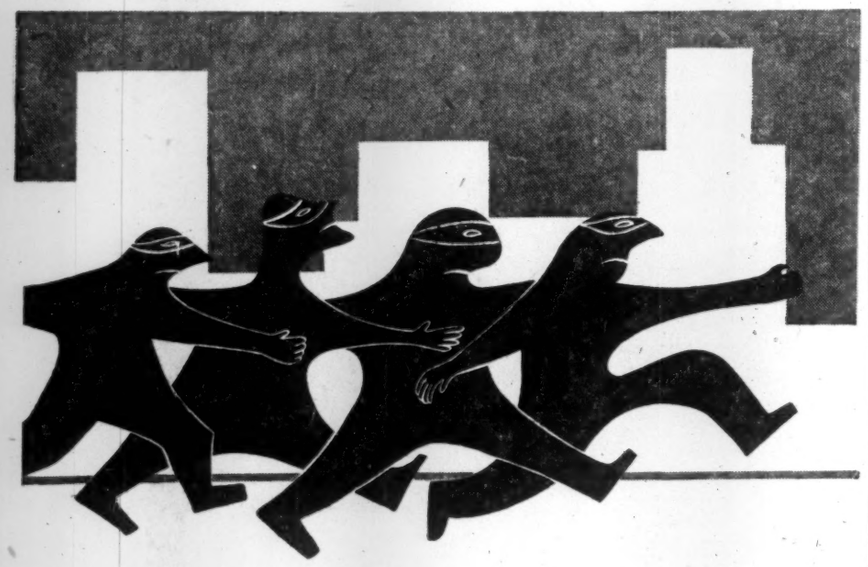
Unions also feared that if seven-day operations started, several of the mills with old equipment might be closed if the market was glutted. They felt that companies should modernize these plants. They argued there should only be a shutdown if there was no market or no wood supply.

Basically, these fears went back to the lean, hungry depression years of the '30s and possibly of unemployment recurring.

The pattern set by the international unions of a five per cent increase plus fringe benefits which included increased shift differentials, liberalized overtime pay provisions and more generous contributions by the employers to pension plans, group life and hospitalization insurance could be conservatively estimated at a 12-cent-an-hour package.

The National Federation of Pulp and Paper Workers (CCCL) which represents 8,000 workers in about a dozen mills in the province of Quebec has in the past been satisfied to follow the pattern set by the stronger international unions. This year, however, the National Federation decided it would not settle for less than a flat 10% increase. It appears to have resulted in loss of two locals in the Consolidated Paper Corp.

For the future: certainly international unions will be eyeing possibility of further wage increases, especially since pulp and paper mills are enjoying a good year.



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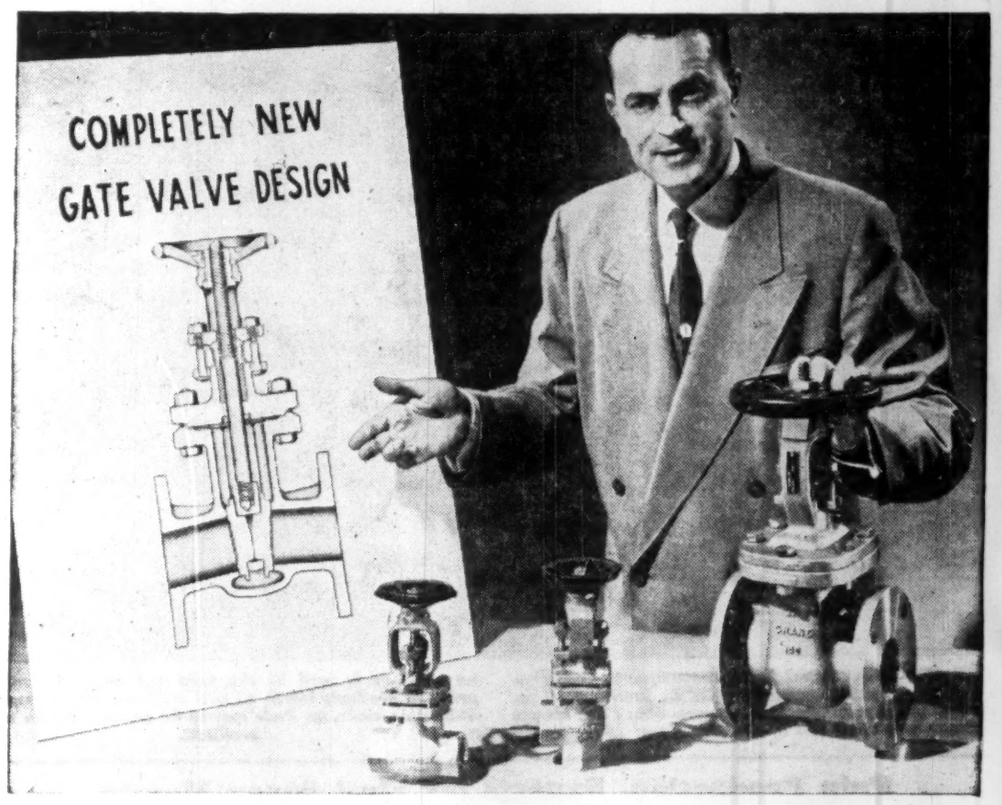

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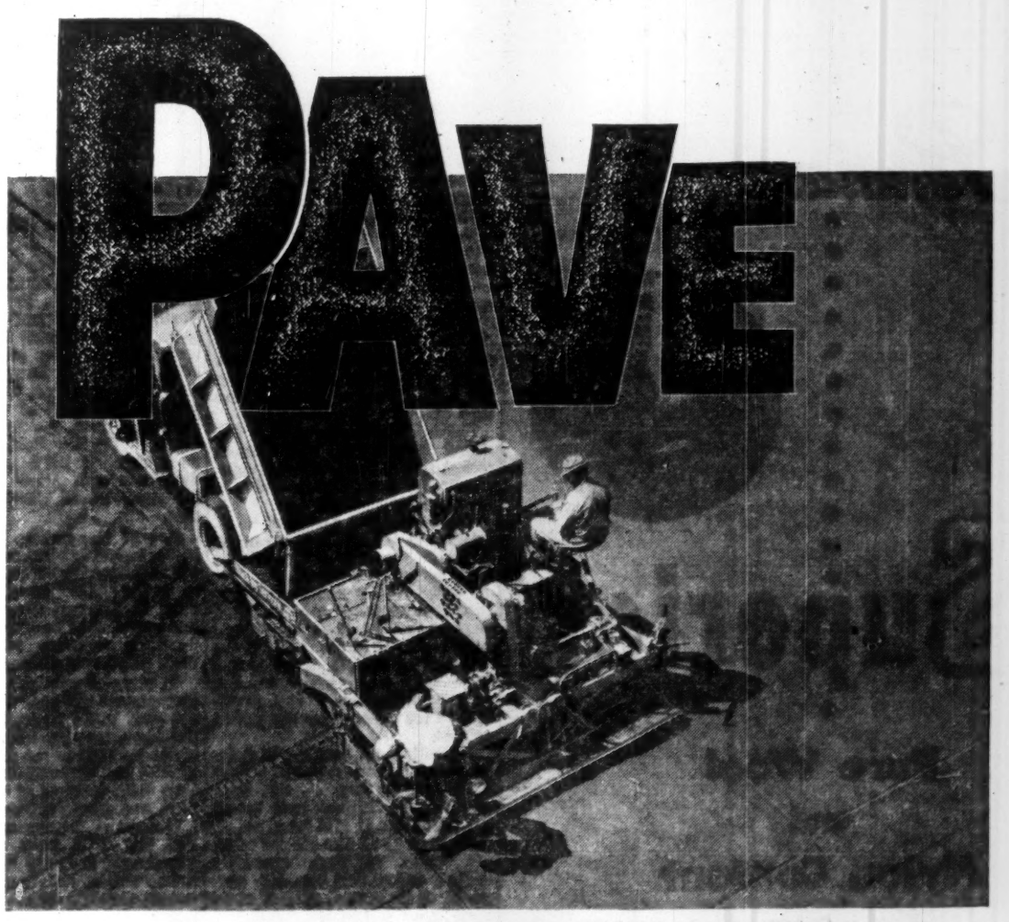

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OF THE AVERAGE annual forest consumption, Canadian pulp and paper mills account for 22%, fuelwood 21%, timber and other products 34%, exports 5%. Fire, insects and disease take their toll of the balance of 18%, nearly as much as is used by the pulp and paper industry to produce products worth $1,200 millions. Above, logs are hauled on sleds, on their way to be converted into useful products.

Pulp Production, Exports for First Seven Months

	FIRST SEVEN MONTHS — Production		Change	Exports		Change
	1955	1954	%	1955	1954	%
Dissolving and special alpha	252,878	270,627	—6.6	221,269	236,243	—6.3
Bleached sulphite (paper grades)	361,138	306,390	+17.9	263,510	188,992	+39.4
Unbleached sulphite	991,049	911,786	+8.7	200,640	190,357	+5.4
Bleached kraft (paper grades)	444,730	417,746	+6.5	370,228	351,112	+5.4
Unbleached kraft	380,733	370,338	+2.8	125,214	109,333	+14.5
Other chemical	110,858	93,098	+19.1	22,975	21,192	+8.4
Total chemical	2,541,386	2,369,985	+7.2	1,203,836	1,097,229	+9.7
Groundwood	3,115,258	3,058,072	+1.9	136,085	122,003	+11.5
All wood pulp	5,714,207	5,486,621	+4.1	1,346,877	1,224,928	+10.0

Wood Pulp Output Headed for Record?

Production In 1955 May High of 10 Million Tons

Canada's wood pulp production this year appears headed for a record high of 10 million tons.

That's a healthy increase of 300,000 tons from 1954's peak of almost 9.7 million tons, almost double average annual production during World War II and a healthy picture for a multi-million dollar industry.

The big U. S. market is taking more and more Canadian production but exports to Europe are expanding even faster. That's largely because Scandinavia can't meet the growing demand for wood pulp.

In almost every grade of pulp, except dissolving, it looks like production will hit new records. Exports should run to 2.3 million tons, another record, topping the previous high set in 1954 by about 100,000 tons.

Monthly pulp output has been consistently running at well over 90% of capacity in Canadian mills. A good record, indeed, in any industry.

Canada's newsprint industry has been a major factor in boosting pulp output. It consumes some 60% of the total. It is busily humming along setting a new record. But, paperboard, fine papers, wrapping paper and others, all big pulp users which together take about 15% of the total, are all ahead of 1954 production-wise.

A fast look at last year's wood pulp industry gives some idea of the rapid growth of the industry. Wood pulp production during 1954 was almost 9.7 million tons, a healthy 600,000 ton increase over 9.1 million tons in 1953.

Domestic consumption increased by almost 4½% during 1954 while exports increased by more than 10%. Much of the export increase was caused by a growing demand abroad, and the overseas markets took some 23% of Canada's pulp exports in 1954 as compared with 18% in 1953. The U. S. took only 77% of Canada's 1954 pulp exports compared with 82% in 1953. However, pulp tonnage shipped to the U. S. last year was up more than 4%.

That's the background. The strong production and export record so far this year, individually and in total, are shown in the accompanying tables.

Prices Are Stronger

Prices also have been stronger, although they haven't regained the peak postwar levels.

One of the big factors in Canada's continued growth in wood pulp output has been continued strong demand in the U. S. For the first half of 1955, U. S. paper and paperboard production amounted to 14.7 million tons or 11% greater than for the comparative period of 1954.

Indications are that the U. S. industry may reach a record output of 29 million tons — the third straight new high—which would exceed output of 1954 by about 2.3 million tons. In the second quarter, mills, although operating slightly below full capacity, produced at an annual rate of more than 30 million tons.

Naturally, these factors have assisted Canadian pulp sales in the U. S. Yet, it is the growing demand abroad which may play a more important part in future considerations.

It would reflect in the future production of Canada and result in increasing capacity. Here's why:

—Scandinavia, a big European supplier of wood pulp, can't support much more pulp production because of her limited forest areas which are even now yielding wood as fast as it can be grown.

—World population is increasing.

—Literacy is growing mainly through efforts of agencies such as the United Nations.

—There is a trend in most countries for a gradual easing of exchange restrictions, import quotas, and currency allocations.

These factors when added together could mean expansion within present markets and development of new ones.

Some indication of the growing world demand for wood pulp can be seen in a comparison of 1954-53 figures:

Chemical and mechanical wood pulp consumption increased from 39,063,000 tons in 1953 to 41,027,000 tons in 1954 while production jumped from 39 million tons to 41.7 million tons. Total capacity expanded about two million tons from 44.5 million tons to 47.5 million tons.

And, the largest slice of this increased capacity has been developed in North America. This has resulted in a drop in imports to this continent, chiefly to the U. S., and growing exports abroad.

Demand Going Higher

The increased consumption of paper in the past five years in some instances has been remarkable. For example, in the case of Japan, consumption has been more than doubled; Russia and Sweden also have come close to doubling.

In the same period world paper and paperboard production has increased about 20%. Production in North America has increased 12.3% and represents 62% of the world's production in 1954, the same as in 1950. Europe showed an increased output of 35% and accounted for 27% of world production. Japan, the leading producer in the Far East, increased its production 122% in the past five years with output representing about 4% of world's production.

One of the factors uppermost in the minds of producers in Canada is the increasing self-sufficiency in the United States for wood pulp. U. S. pulp mills are becoming better able to meet growing demands at home and expand their shipments abroad.

U. S. wood pulp exports in the first quarter this year rose to 150,000 tons, 15,000 tons greater than the previous quarter and some 85,000 tons above the first quarter of 1954 and also 68,000 tons more than total imports of wood pulp from overseas in the period.

It appears increasingly evident that the U. S. pulp, paper and paperboard industry in the near future will be able to meet its demands through its ability to obtain virtually all the fibre it needs in North America. Imports in the first quarter to the U. S. amounted to 518,000 tons with 421,000 tons coming from Canada and 97,000 tons from Scandinavia.

Behind these figures is another factor: Canada continues still to supply more to the U. S. market while Europe supplies less. In 1954, the U. S. import of wood pulp amounted to 2,050,000 tons, 108,000 below 1953 with Canadian pulp showing a slight increase. The drop in European supplies accounted for the decline.

Trend Will Continue

That trend is likely to continue, largely because of the increases in U. S. pulp production. There's another factor:

—Developments in recent years within the U. S. indicate a trend within the pulp, paper and board mills toward integration with lumber, plywood and veneer mill operations. If this continues, it means sawmill waste, a relatively new source of fibre, will make the U. S. less dependent on imported pulp.

Of course, the deciding factor in gauging how long the U. S. can continue to increase capacity to meet its growing pulp needs is timber resources. The wood, pulp, paper and paperboard industry of the U. S. is by far the largest commercial owner of forest lands with holdings of about 30 million acres under careful forest management. It also has large areas of forest lands under lease and in addition purchases millions of cords of pulpwood from private growers.

Those are all factors in its favor for continued growth toward self-sufficiency. Another is a comparatively new pulping process which makes possible the use of hardwood trees. This has added significantly to the value of timberlands containing hardwood species of trees. Softwood pulpwood sometimes has to be moved long distances to mills while in many instances hardwood for pulpwood is locally accessible, thus offering considerable savings in transportation costs.

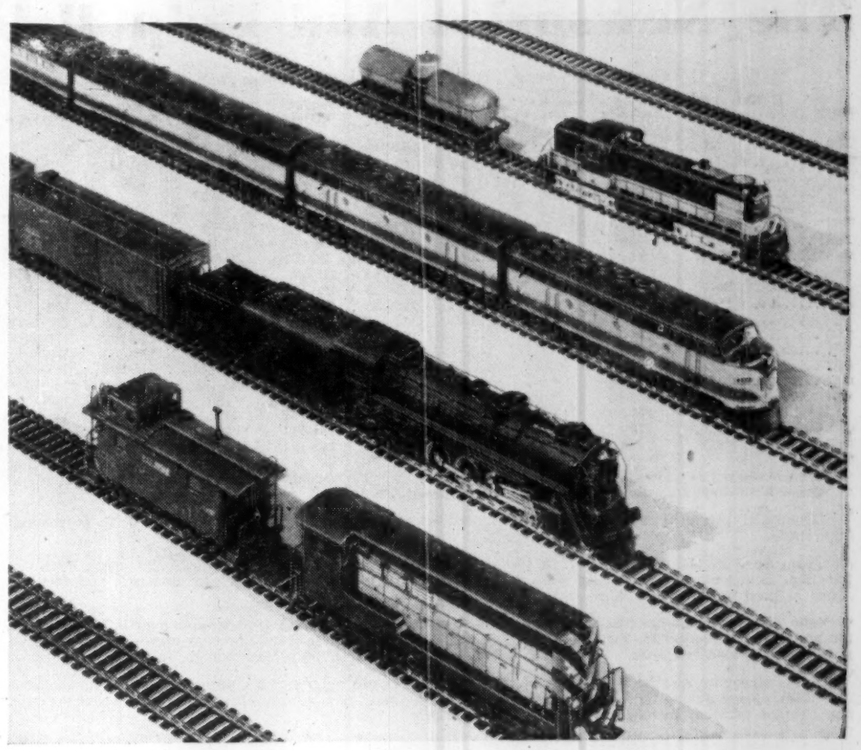
That's all to the U. S.'s favor. But there is no doubt it will still depend to some extent on Canada as a source of supply. Meanwhile, for Canada foreign markets are becoming increasingly better markets. The U. S. still takes more than 75% of Canada's total wood pulp export although they took 5% less of total in 1954 than the previous year. Meanwhile exports overseas advanced 5% last year and are likely to increase this year. The U. S. took 1.6 million tons of Canadian pulp last year. The United Kingdom is next on the list with imports of 235,000 tons last year compared with 214,951 the previous year. That's likely to increase again this year.

There are other increasing users of Canadian wood pulp abroad. For example, the Netherlands boosted imports from Canada last year by about 17,000 tons from 1953. And, with economic resurgence of many European countries Canadian supplies should be in increasing demand.

Plywood Advertisement Judged Best Design

An advertisement showing a piece of plywood being peeled off a wall has been awarded the Royal Architectural Institute of Canada Journal first prize in the fourth annual advertising design competition. The award-winning entry was submitted by the Plywood Manufacturers Association of British Columbia.

Second prize went to Great Lakes Carbon Corp., Perlite division, for a device for showing off a lump of perlite in a pattern. Honorable mentions included Owens-Illinois Inter-American Corp., Pilkington Glass, Alexander Murray & Co., Paul Collet & Co. and Kawneer Canada Ltd.



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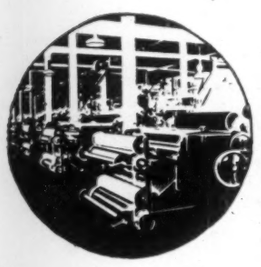

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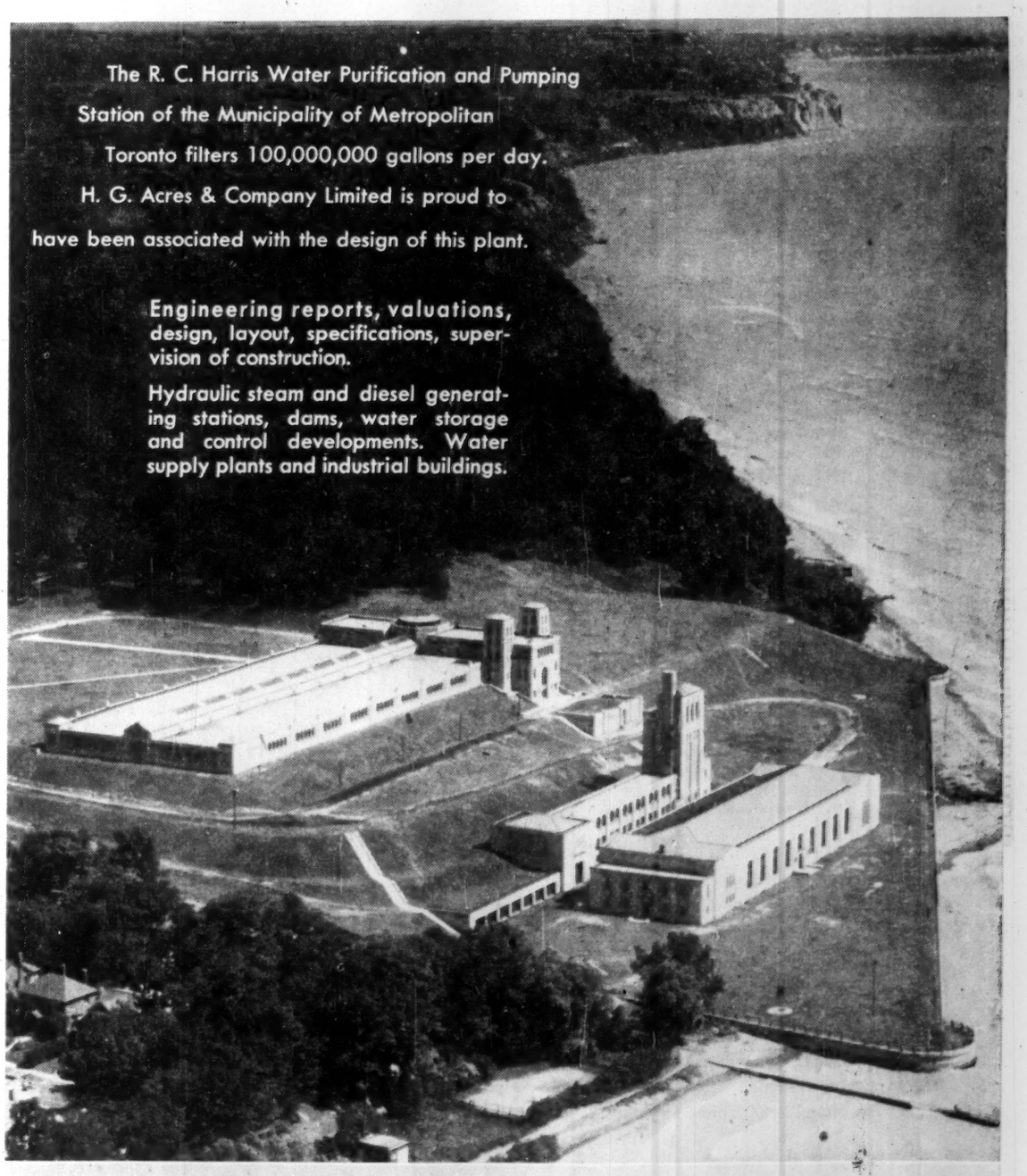

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NIAGARA FALLS CANADA

Progress Reports on Wood Pulp Firms

(Continued from page 46)

Based on actual accomplishments and sales backlog, company is confident that net sales for curren. fiscal year will show an increase over last year, as previously forecast.

There is no public interest in Marathon Paper Mills of Canada. The entire capital stock is held by Marathon Corp.

Minas Basin

Minas Basin Pulp & Power Co. manufactures groundwood pulp and paperboard, as well as carrying out extensive lumbering operations.

The capacity of its Hantsport, N.S., mill is 110 tons of bleached and 20 tons of unbleached tons of groundwood pulp daily. The entire production of bleached groundwood is sold to Scott Paper Co. in the U.S.

The company owns over 320,000 acres of timber and operates two power plants on the St. Croix river with a combined capacity of 7,100 hp. Additional power requirements are bought from Nova Scotia Light & Power Co.

The company's wholly owned subsidiaries include Minas Shipping Co., Mapleleaf Lumber Co., Minas Stevedoring Co., Annapolis Basin Pulp & Power Co. The company also controls Canadian Keyes Fibre Co. and Minas Transport Ltd. Associated companies include Standard Woodworkers Ltd., Parrsboro Lumber Co., Dartmouth Lumber Co., and Annapolis Valley Canners Ltd.

Shipments of groundwood pulp during 1954 totaled 31,360 tons as against a total shipment of 29,224 tons during 1953. Shipments of lumber totaled 18,351,000 board ft. as compared with 15,046,000 board ft. last year.

Gross capital expenditures in 1954 totaled $93,043. Net profit for 1954 amounted to $154,688, down 20.3% from the 1953 net of $194,172.

North Western

North Western Pulp & Power Co., owned jointly by North Canadian Oils Ltd. and St. Regis Paper Co., New York, has an agreement with the Alberta Government covering cutting rights on a 3,000-square-mile area and an additional 3,000 sq. miles of timberland as a reserve.

In March this year, it was announced that company would construct a $33-million bleached sulphate pulp mill with a capacity of 400 tons at Hinton, Alta. Initial contracts were let early this summe, and completion is expected in 1957. More favorable operating conditions prompted the change of location from Edson.

The mill, using lodgepole pine and white spruce, will have a perpetual pulpwood supply through the long-term grant which company holds from provincial government. Due to increase in capacity of mill and future plans, government has granted company 3,000 sq. miles of timberland as a reserve.

St. Regis is directing the design and construction of the mill and will manage its operation. It will purchase part of the output for use in its own mills, and North Western will sell the balance in the open market.

Ontario Paper

Ontario Paper Co., Thorold, Ont., and its wholly owned subsidiary Quebec North Shore Paper Co., Baie Comeau, Que., are owned by the Chicago Tribune and the New York News.

The Thorold mill produces 625 tons of newsprint daily. Company also operates pulp sales plants at Thorold and Baie Comeau, with a combined capacity of 200 tons daily which is sold on the open market. Company contracts with the Beaver Co. to take the output of its newsprint machine, supplying necessary raw materials such as pulpwood, sulphite and steam.

Wood supplies for the Thorold mill are obtained from the company's timber limits at Shelt Bay and Franquelin, Que.; Heron Bay, Lake Superior; and Manitoulin Island. The Thorold plant also manufactures alcohol from waste sulphite liquor with an annual output of 700,000 gallons which is sold to a variety of Canadian manufacturers of commercial products ranging from antifreeze to pharmaceuticals.

A vanillin plant with an annual capacity of over 400,000 pounds manufactures vanillin and several associated products including "Lioxin" from the lignin in the company's waste sulphite liquor. Plant has been in operation since 1952.

Company has recently added another byproduct "Aqualig," neutralized lignin sulfonic acid which is used as a road binder and dust retardant.

Company also operates a fleet of lake ships through its wholly owned subsidiary Quebec & Ontario Transportation Co. Two additions to the fleet have been made recently, making a total of 11 vessels.

Company owns and operates Manicouagan Power Co. through its subsidiary Quebec North Shore Paper Co., Baie Comeau, Que.

Financial and operating statements are not issued for publication as there is no public interest in the company.

Quebec P. & P.

Quebec Pulp & Paper Corp. discontinued pulp production in 1930, and was placed in bankruptcy in 1942, following a petition of the Quebec Streams Commission on a claim for $1,824,000 for arrears for water dues on the Kenogami reservoir dam. All the company's former pulp mills and timber lands were sold to the Quebec Government in August, 1949, for $1.5 millions.

In November, 1949, it was authorized that preferred shareholders would receive $23 per share on delivery of certificates to the trustee before March 15, 1950.

The bankruptcy estate of the corporation is still to be wound up, with various matters that must be settled with the trustee and the Provincial Government before final closing of the estate.

Restigouche

Restigouche Co. is a wholly owned subsidiary of Fraser Companies Ltd. and manufactures bleached sulphite pulp for use in papermaking and dissolving pulps for manufacture of rayon viscose yarn, Cellophane film and other products.

The company's mill at Atholville, N.B., has a daily capacity of 195-260 tons. Tonnage varies depending on grade for sale.

Consolidated net profit of the parent company in 1954 amounted to $4,868,171 compared with $2,973,739 for the preceding year. For the first six months of this year consolidated net amounted to $2,383,894 against $2,138,782 for the same period in 1954.

President Aubrey Crabtree said demand for various grades of pulp, paper and paper board manufactured by the company during the first six months was sufficient to permit of all of the mills to operate at high levels. The same conditions still exist.

While prices of bleached sulphite and bleached kraft wood pulp for export were increased $5 per ton April 1, the new prices still do not result in satisfactory returns, he said.

St. George

St. George Pulp & Paper Company operates a pulp mill at St. George, N.B. The company is one of the oldest groundwood processing plants in Canada. It is one of the few Canadian mills to produce bleached groundwood pulp for sale.

In 1949 the company added a bleaching plant to bleach groundwood by the sodium peroxide process—the first operation of its kind in Canada.

Its mill at the mouth of the Magaguadavic River has an annual capacity of 25,000 tons. About 80% of the production is bleached and sold under the trade name of "Fibrewhite," while the balance is sold in unbleached form. Export sales account for nearly all of the total shipments.

After being destroyed by fire in 1946, the company's mill was rebuilt and enlarged with production capacity increased by about 20%. The mill was completely electrified with each machine motor driven individually and more modern pulp machines being installed.

History of the St. George mill dates back to 1902 when it was established by New York interests. In 1932, control was acquired by Edouard LaCroix, St. Georges de Beauce, Quebec, and Senator Page of Maine. Extensive repairs were made at that time, particularly to the dam, and additional equipment was installed. In 1947, Antoine LaCroix of St. John secured Senator Page's interests.

The company does not issue its financial figures for publication.

St. Lawrence Corp.

St. Lawrence Corp., one of the largest units of the Canadian pulp and paper industry, manufactures a considerable amount of surplus pulp for sale.

At the end of a $22.2 million expansion program now under way, the surplus total capacity will total 48,000 tons or 7.4% of total daily capacity.

The Dolbeau, Que., newsprint mill can presently produce 30,000 tons of surplus unbleached sulphite pulp annually for sale; while the East Angus, Que., kraft container board and paper mill can make 5,000 tons of groundwood pulp and 10,000 tons of surplus unbleached kraft pulp; the Red Rock, Ont., kraft container board mill can manufacture 9,000 tons of surplus groundwood pulp and 9,000 tons of surplus unbleached kraft pulp. The Nipigon, Ont., mill can put out 18,000 tons of groundwood pulp.

Consolidated net profit of $4,451,038 for 1954 compared with a net of $5,228,641 in 1953.

Consolidated net profit for the first six months of the current year totaled $2,636,338, against $1,919,560 in the same period of 1954.

Richmond

Richmond Pulp & Paper Co. of Canada Ltd., producer of newsprint as well as groundwood and semi-chemical pulp, is a unit of the Kruger organization of Montreal. The company's mill is situated in Bromptonville, Que.

A $5 million expansion program bringing mill capacity to 75,000 tons of newsprint a year has just been completed. This was the major step in a long-range program of mill expansion and improvement begun in 1950 which included principally additions to existing buildings to house a second newsprint machine, new electric grinder equipment, and a new semi-chemical pulp plant.

The Richmond firm pioneered the first successful commercially operated semi-chemical pulp mill utilizing local hardwoods in the manufacture of newsprint.

Another plant extension providing 10,000 sq. ft. of floor space is being added to the present electric grinder room to house five more grinders, which will increase groundwood production 60% and involves an estimated over-all expenditure of $1,500,000 to cover the new building additions and equipment.

This new addition is of modern design and of brick-faced reinforced concrete on all-steel-frame construction. New stock preparation equipment, including a new pulpmaster and three refiners, were recently installed to further improve stock uniformity. Existing newsprint machines will also be speeded up under this program. Both shipping and materials handling equipment throughout the mill have been completely modernized and new diesel equipment has been acquired, and railroad sidings and platforms extended. Accounting and mill administration offices were also modernized and streamlined.

When completed the new addition to the groundwood mill will enable the company to produce all its own groundwood requirements. This new groundwood capacity, together with the additional improvements being made on the paper machines, and attendant new supplemental plant equipment, will provide added tonnage in 1956 to meet the increased sales of Richmond ton-

(Continued on page 58)

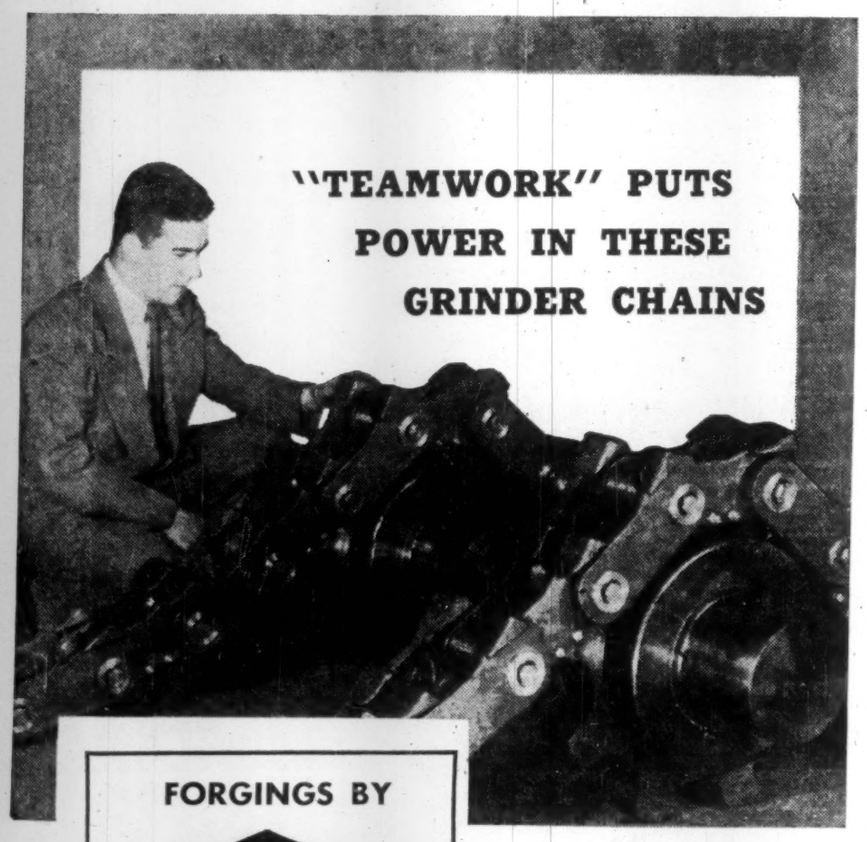
Here Is How Paper Firms Are Doing

(Continued from page 53)

Co., a subsidiary of Quebec North Shore Paper Co.

Manicouagan Power Co., a subsidiary of the Quebec North Shore Paper Co., operates a two-generator 90,000-hp. hydro-electric power development on the Manicouagan River. This power is used to supplement mill and town electrical power requirements and to supply the communities and industries which are growing up on the north shore as a natural result of the development of the area by the company at Baie Comeau. A substantial part of this power is scheduled for transmission by submarine cable across the Gulf of St. Lawrence to Gaspe Peninsula for mining developments in that area.

Financial and operating statements are not issued for publication as there is no public interest in the company.



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Canforge

Look at these two sections of grinder chains manufactured by Forano Limited for paper mill grinders. Each individual grinder requires 4 of these chains approximately 40 feet long. Inside and outside links are supplied by Canada Foundries & Forgings Limited.

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NEWFOUNDLAND

A third Pulp and Paper Mill for Newfoundland

The Royal Commission on Forestry which presented its report to the Newfoundland Government in 1955 points out the desirability of a new 500-ton per day pulp and paper mill for the Province of Newfoundland. Says the report:

"NEWFOUNDLAND HAS CONSIDERABLE FOREST POTENTIAL THAT IS NOT NOW BEING PUT TO ITS MAXIMUM USE.

"The Commission is of the opinion that the forest resources are available on the Island **for a third pulp and paper mill** and that such a development is necessary for the economic utilization of these resources."

In addition to this untapped timber resource on the Island of Newfoundland **the forest potential of Labrador represents an even greater source of pulpwood.** Says the Royal Commission's report of Labrador: "Tentative estimate of the pulpwood content of the three main regions are as follows:

Lake Melville and lower Hamilton River and tributaries	30 million cords
Sandwich Bay drainage	11 million cords
Lower East coast of Labrador	8 million cords
Total:	49 million cords

"Generally speaking the conditions for logging are comparatively as favourable as those found elsewhere in Canada."

The great pulp and paper operations of Bowaters in Corner Brook and Anglo-Newfoundland Development Company in Grand Falls point the way for **a third major pulp and paper operation in Newfoundland.**

PROVINCE OF NEWFOUNDLAND

CANADA HOUSE · ST. JOHN'S

It's 'Good Year' for Fine Papers

Production Will be Close To Record Output of '54

Canada's fine paper mills probably will not set any production records in 1955, but it still shapes up as a good year.

Demand softened considerably through June and July but this is the usual seasonal pattern: a drop in production during the summer months with peaks in the spring and autumn.

This year's output is not expected to equal the 1954 record output of some 206,000 tons, but it should come close, and there is little doubt that it will equal or better the average annual output of some 192,000 tons over the last five years.

Despite unusually low levels of production in June and July this year — lower than in 1953 or 1954 — the seven months total is still fractionally higher than last year's figure. In addition, domestic shipments and exports for these months were lower than last year, but they too have showed modest gains for the seven-month period.

Whether the totals will hold up through August is uncertain but the general forecast is that this year will be average to good.

The present production record — some 206,000 tons — was set last year. The previous record, a temporary high brought on by overbuying, was 203,000 tons in 1951. It was followed by an inventory correction that lasted through 1952 and into 1953.

Since mid-1953 the mills have been steadily climbing back up the production ladder and for sixteen consecutive months, from April 1953, to July 1954, their output in each month exceeded that of the corresponding month in the previous year. Since mid-1954 output has been climbing except for the odd soft month.

By the end of July this year, 124,832 tons of fine paper were turned out in Canada, up marginally from the 123,899 tons produced in the comparable period last year. This increase was registered despite the fact that June production this year was down by 887 tons and July by 2,211 tons as against 1954.

A slight increase was also registered in domestic shipments (117,915 tons in the first seven months this year as against 117,426 tons last year) and export shipments rose sharply from 6,131 tons in 1954 to 7,684 tons this year.

The fine paper mills are the custom producers of Canada's pulp and paper industry. Unlike the newsprint mills, which are mass producers of a homogeneous product, the fine paper mills turn out some 500 different grades of paper for everything from books and magazines to bank notes and tea bags.

Coating Mills

Some 12% of the fine paper output goes to three coating mills where it may be coated on one or both sides to enhance its printing qualities. Generally, the process consists of applying an adhesive and clay, or pigment, or some other suitable material to the surface to improve its opacity, finish, color or smoothness.

The economics of fine-paper production differ from those of other sectors of the pulp and paper industry. The cost of wood represents a lower percentage of the total manufacturing cost than it does in the manufacture of pulp or of newsprint.

In addition, the production of a ton of fine paper involves a much greater capital outlay than the production of a ton of other grades, largely because of short runs and frequent changeovers for different grades.

The cost of labor is also much greater per ton of output of fine paper than for the industry's other products. This is due mainly to the multiplicity of hand finishing operations necessary in fine paper manufacture.

In Canada there are 15 fine paper mills, operated by nine companies, including subsidiaries making fine paper on 35 paper machines. They enjoy a comparatively small export business and have had to gear their output to the needs of the domestic market which is less than one-tenth the size, but requires a range of products just as great as the U. S. market.

Widening Range

It has taken considerable ingenuity on the part of the Canadian producers to make this wide range of products, in relatively small volume per product, and with a necessarily limited number of paper machines.

However, they have kept pace with the needs of the domestic market in both variety and volume of products. Production has increased sharply in the postwar years and now runs to almost double the 1939 level. It is expected to continue to grow in tune with the economic development of the nation.

Almost all the principal fine paper grades are produced by more than one mill. At the same time most of the producers have tended to concentrate on certain grades. By a process of natural selection, each mill over the years has evolved a production pattern for concentrated attention. Only in this way have they been able to afford the capital expenditures for the special equipment required in the development of various sectors of the fine paper market.

Here is how Provincial Paper Ltd., one of Canada's major fine paper producers, describes in an article in its company magazine some of the problems involved in meeting customer requirements in the fine paper business:

"**WANTED:** A paper which must be of a definite weight, so that it will ensure a certain opacity; its caliper must be low, to provide long mileage; its finish must not be too smooth to prevent offset, yet it should have good formation and be of good stability. Its color is critical. Tear and mullen (burst) must both be on the high side to ensure strength and top perforating capabilities. Moisture content must be specific so that it will suffer a minimum of elongation and other changes, due to humidity."

Rigid specifications. Yet, these are actual details taken from Provincial files, and quoted here to introduce one of the lesser publicized phases of papermaking. They concern a subject that can prove of tremendous significance both to the printer and to his customer.

What do we mean by a new paper? The word "new," in this case, is used in the sense that it implies a different paper. Periodically there are varying circumstances which justify the conception and production of an entirely new line of papers. However, we are concerned here with a new **sheet,** (a different sheet), requiring the revision of one or more of the qualities that go to make up an existing sheet.

Developments or revisions, such as we are discussing are not made only for the printer. The paper converter has his problems, too. Thus a packaging or labelling problem, a particular production requirement in either letterpress or offset, a matter of labelling, may all present difficulties which a new sheet may be developed to overcome. All these are typical of the sort of thing that can send someone scurrying to Provincial technicians, seeking an answer.

What he gets, when he gets it, how much it costs all depend on the intricacy of the requirements and how the answers can be worked into mill production schedules. Sometimes they may only require minor adjustments on a paper machine. Conversely, they can involve considerable study and experimentation. Of course, a new sheet can only be undertaken at all when circumstances permit a mill run, namely tons or even carloads of paper.

Press and converting equipment (particularly when custom-built to customers' specifications) is being manufactured to produce faster and faster. Hence, it can be much more exacting in its production requirements. Inks and their applications are changing. Color demands have become far more critical, both in the paper and in the reproductions it carries.

When these problems become big enough, they provide another of those venues by which Provincial technicians can make a practical contribution to the constant need for new papers. Existing sheets are excellent for almost all standard requirements. It is the necessity of meeting changing specifications that creates the "new sheet" situation.

Production of a new sheet is sometimes necessitated by the peculiarities inherent in the actual methods of achieving the reproduction. Lithographic reproduction, the use of rubber composition printing plates, varnishing and even gumming, can act as an impetus for demanding more from a printing paper than is provided in its conventional form.

A "new sheet" must be practical. Hence it is made, primarily, to meet certain specific requirements. Special qualities, for instance, or advantages to aid production. A certain job (or series of jobs) may require a higher gloss than usual.

Or even the reverse. For example, a surface which prints as well but looks much softer. Thus if a buyer wishes to accentuate a paper property or keep a characteristic under closer tolerance, then he will likely end up with a new sheet.

The answers to every set of such problems are different. The customer may want brightness, probably a writing surface, folding qualities, adhesive qualities (for gum or varnish), absorbent qualities (or lack of them), opacity and so on. The producer wants to give these things to his customer, on a profitable basis. He also wants to be sure that the new sheet can be run satisfactorily and without causing him additional wear and tear on his processing equipment. How far can we go? Well, anything is possible within limits, but, obviously, no one paper can have "everything." However, it can, and will, obtain maximum efficiency by compromise.

The papermaker must find ways to make apparent incompatibles exist side by side. By so doing, he will add to the mounting acclaim being accorded Canadian lithographers and printers from coast to coast.

Fine Paper This Year

	Seven months ended July 31		Change
	1955	1954	%
Output	124,832	123,899	0.8
Shipments	125,599	123,557	1.7
to Canada	117,915	117,426	0.4
export	7,684	6,131	25.3
This tonnage includes paper further processed to make coated papers:			
Processed	15,281	14,343	6.5
Shipments	15,204	14,145	7.5

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How Newsprint Firms Faring

(Continued from page 57)

nage to publishers and printers in Canada and the U. S.

Recently the company has been granted a renewable cutting license on 300 square miles of crown lands. The tract is located on one of the best and densest black spruce areas in the Province of Quebec along the Chibougamau Railway in northern Abitibi. The company is thus assured of a continuous wood supply, adequate to maintain and extend its rapidly growing production and sales volume.

In addition to the Richmond Pulp & Paper Co. of Canada Ltd., Bromptonville, the remaining four companies which make up the five companies of the Kruger organization are the Kruger Paper Co. Ltd. of Montreal, fine paper wholesalers, Sherbrooke Paper Products Limited, Sherbrooke, Que., manufacturers of corrugated boxes; Aluminum Extruders Ltd., St. Therese, Que., and G. O. Nesbitt Co. of Vancouver, B.C.

Financial and operating figures are not published since there is no direct public investment interest in the company.

Spruce Falls

Spruce Falls Power & Paper Co. operates a completely integrated newsprint mill at Kapuskasing, Ont. Kimberly-Clark Corp., Neenah, Wis., owns 50.12% of the common stock. The New York Times, which owns a substantial stock interest in the company, purchases the largest proportion of its newsprint from Spruce Falls. Most of the remaining newsprint production is sold to the Washington Star, also a stockholder in the company, and the Philadelphia Inquirer. The balance is sold under contract to more than 30 smaller newspaper publishers in the United States.

Mill contains four paper machines each of which trims 224 in., a mechanical pulp mill with an adequate capacity for the mill's requirements, and a chemical pulp mill with sufficient capacity to take care of the newsprint mill and in addition furnish sulphite pulp to the parent company.

Plant has a total annual capacity of 225,000 tons of newsprint paper, 108,500 tons of sulphite pulp and 186,700 tons of groundwood pulp. The steam power plant supplies power for Spruce Falls and Kimberly-Clark Corp. of Canada plant nearby. There are also two hydro-electric plants with developed power aggregating 75,000 hp supplemented by a steam plant of 10,000 kw capacity.

Newsprint sales for 1954 calendar year amounted to 236,751 tons and sales of sulphite 65,134 tons. Cost of sales was lower than in 1953, reflecting more efficient operations, but this gain was offset by an adjustment of prior years' income taxes and increased discount on U.S dollars. Earnings were $4,161,569, 6.7% higher than $3,898,524 in previous year. Dividends paid to the parent company amounted to $1,473,673, compared to $1,463,187 in previous fiscal year.

Sales price of pulp was increased by $5 per ton on Jan. 1 this year. In May company declared a quarterly dividend of 35c as compared to former rate of 30c.

The investment in Spruce Falls is carried on the books of the parent company at $2,079,501, while at Dec. 31 1954, equity in the net assets of the company was $12,202,304 in U. S. dollars.

St. Lawrence Corp.

St. Lawrence Corp. produces newsprint, kraft fibre and specialty papers, boxboards, shipping case materials, unbleached sulphite, kraft and groundwood pulps.

It owns and operates five pulp and paper mills, located at Three Rivers, Dolbeau and East Angus, Que., and Red Rock and Nipigon, Ont. Total annual saleable capacity is 659,000 tons, comprising 377,000 tons of newsprint, 180,000 tons kraft container boards, 54,000 tons kraft paper, 30,000 tons unbleached sulphite and 18,000 tons groundwood.

Timber limits have an aggregate area of approximately 9,091 sq. miles estimated to contain at least 53,600,000 cunits of pulpwood (a cunit is 100 cu. ft. solid peeled wood).

Total output of finished goods in 1954 was 459,000 tons, up 19,000 tons from 1953. This includes surplus pulps which declined in quantity from previous year.

Status of the corporation was changed from a holding company to an operating company effective Jan. 1, 1952, through integration of the three then existing wholly owned subsidiaries, St. Lawrence Paper Mills Co., Lake St. John Power & Paper Co., and Brompton Pulp & Paper Co.

The expansion program undertaken in 1951 will be completed in 1955. During 1954, $8,632,604 was spent on additions to fixed assets largely on improvements and plant expansion at the East Angus and Red Rock mills. A balance of $798,000 will be expended in 1955.

Net profit for the six months ended June 30 1955, totaled $2,636,338 (unaudited) compared with net of $1,919,560 in the like period of 1954. Sales of pulp and paper advanced to $33,672,894 from $29,011,967

As at June 30, 1955, working capital amounted to $18,563,506 compared with $17,025,343 at the same time the previous year.

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Yes, from Woods to Wrappers, it's KVP across the Continent.

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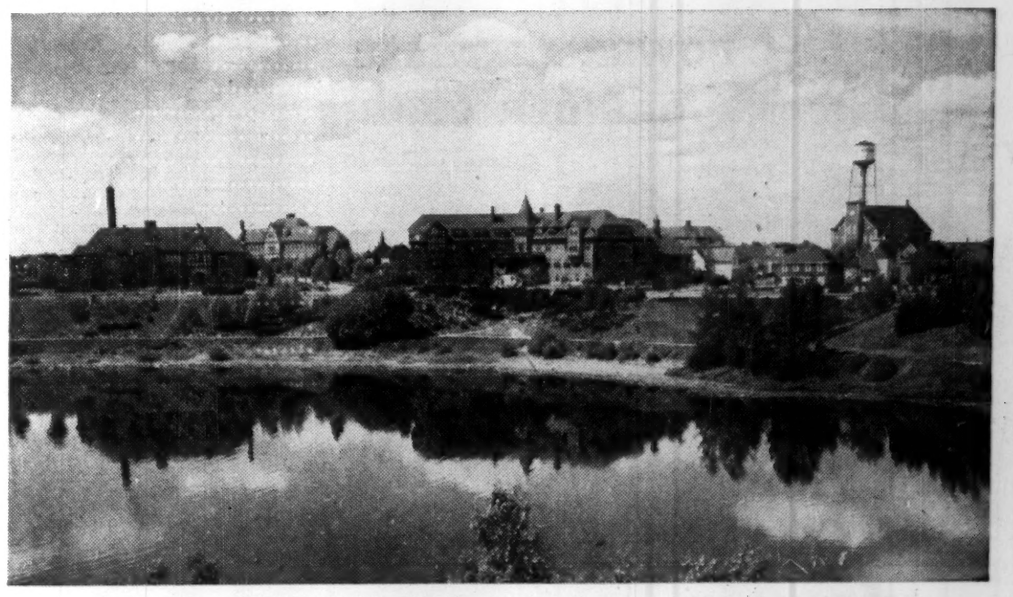


Spruce Falls Power and Paper

COMPANY, LIMITED

Mills at Kapuskasing, Ontario

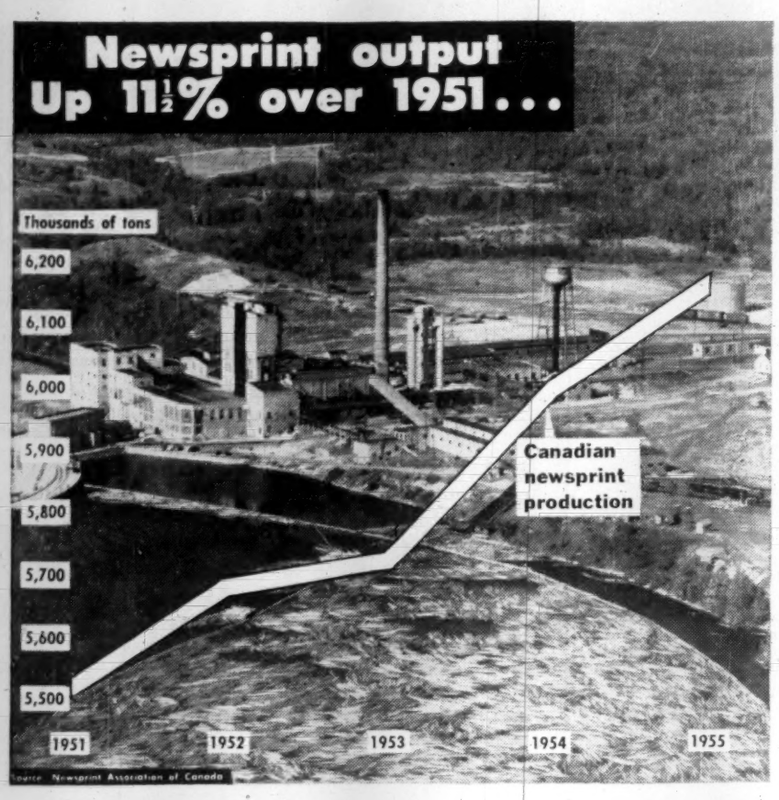
ANNUAL MARKETABLE CAPACITY:

235,000 TONS NEWSPRINT, 72,000 TONS UNBLEACHED SULPHITE PULP

Head Office: TORONTO, ONTARIO

The Financial Post

Vol. XLIX | Member of Audit Bureau of Circulations | Publication Office: Toronto, September 17, 1955 | Twenty Cents an issue, Six Dollars a Year | No. 38



The Market Will Get Bigger

Demand for Canada's Newsprint Will Grow

By PAUL S. DEACON

The hunger of the ordinary citizen for news—of who will win the American League pennant race, or what Princess Margaret wore at her birthday party, or what the Big Four foreign ministers may accomplish at their meeting—is the basis of Canada's biggest single export industry: newsprint.

That's why one of the most hopeful signs in the current business outlook is the prospect that this hunger for news will continue unabated and even increase.

It's true that historically, newsprint demand has usually declined when business in general has fallen off. But it's also a matter of record that even in the severe slumps of the 'thirties, the percentage drop in newsprint consumption was only about half the drop registered by industrial production.

In 1929-32 industrial output fell 47%. Newsprint consumption in the U. S. dropped only 28%. In 1937-38 industrial output in the U. S. declined 21%, but the reduction in newsprint demand was only 11%. In 1949, business generally was off 8%, but newsprint use in the U. S. actually increased by 7½% over the previous year.

This doesn't take into consideration the newsprint price drops that accompanied the depression. But the pressure downward then on prices was not so much a result of a drop in demand, but of the tremendous increase in capacity which left mills running at levels far below their capacity. In recent years, demand has kept pace with the rise in capacity.

The outlook now is for continued increases in demand for our newsprint. Not only are people still hungry for news, but the evidence is that despite the blandishments of television and other competing media in our biggest market, the U. S., the newspapers are increasing their circulation and regaining advertisers temporarily lost to their competitors.

In Britain, an increase in newsprint demand is in the cards. Newsprint controls are disappearing and papers are starting to increase their size.

In other markets, too, we are selling more than ever before.

From an industry point of view, therefore, the demand side certainly looks favorable.

Rash of New Capacity

On the supply side, however, there are perhaps bigger question marks appearing than at any time since World War II. After a decade in which newsprint expansion has been based almost entirely on modernization and speed-up of existing machines, there is now under way a rash of new machine installations of a size unknown since the overexuberant 'twenties.

Five new machines are being installed in Canada at the present time, and four in the U. S. Three new machines just went into production in the U. S. last year, and one in Canada. Furthermore, the machines being installed are bigger and better than the 1920-30 type, and each is equal to two or three machines of the old kind.

The increases in capacity will make possible a rise in annual U. S. output by 1957 of 400,000 tons over 1955 potential. Comparable increase in Canada in this period will be about 800,000 tons.

This will mean an increase in 1956 capacity in Canada and the U. S. of about 6% and 13% respectively; in 1957 of 7% and 15%, respectively.

The long-term increase in U. S. demand is only about 2% per annum. So these figures suggest a rather sudden switch from a tight to an easier newsprint supply situation by the end of 1956 or early 1957.

Despite this prospect, there have been no obvious signs of panic among industry people. And there appear to be some good reasons for their apparent calm.

Let's look first at the U S. picture. We hope to sell about 5 million tons of newsprint south of the border this year, out of a total production of over 6 millions. What are the prospects of selling more than this in the next few years?

The expansion in U. S. capacity is of a size that could materially affect our sales there if the market doesn't grow enough to absorb it plus some more of ours. If U. S. consumption stayed where it is, it could mean that not only would we have to find markets for our 800,000 tons of new capacity but possibly for 400,000 tons displaced by U. S. paper.

Fortunately, there appear to be several indications that U. S. consumption will continue its upward trend. After about five years in which per capita consumption remained virtually static at around 75 lb., the average use per person this year has been running around 80 lb.

This may be just a temporary bulge. Some authorities contend it is. But there's evidence that it may be a resumption of an upward movement delayed by special factors.

In 1937-38, U. S. consumption was 47 lb. per capita, and rising. Then the rise was interrupted by World War II but a spurt in the five years following the war carried the consumption rate up to the 75-lb. level. In the next five years—from 1950 to 1954—it stuck there.

The Pattern of Demand

This 1950-54 plateau coincided with a couple of important developments affecting the newspaper publishing business: the growth of television advertising on a large scale, and the reduction in newsprint use (estimated at around 6%-7%) by U. S. publishers through mechanical means, mainly by reducing page sizes.

The first meant less advertising for newspapers and hence fewer pages per issue. The second also meant less newsprint used, even with no change in advertising or news content.

So the increase in total consumption in this period was only about the same as the rise in population.

Now the publishers have gone about as far as they can go in their newsprint-saving campaign. And after a drop in advertising linage last year, advertising this year has been 9% ahead of 1954.

It seems more than a coincidence that with the publishers' newsprint-saving program about complete, and the resumption of the upward trend in advertising, U. S. newsprint consumption has pulled out of its rut and was 7.7% ahead of the 1954 level in the first seven months of 1955.

If this rise in per capita use is permanent, it could be a big help. Every pound per capita added to U. S. use requires a supply increase of about 75,000 or 80,000 tons a year. On an annual basis, for instance, the 5-lb. jump indicated so far this year isn't far short of 400,000 tons if it is maintained for the whole year.

Recent estimates of 1960 consumption in the U. S. have ranged from 6.7 million tons to 7.5 million. The remarkable rise this year, if it carries through, will boost consumption to 6.6 million for 1955 — almost up to the lower 1960 estimate five years ahead of time.

Even if the rise in U. S. consumption turns out to be greater than predicted earlier, Canadian mills will have to work for their share of the additional business.

The problem can be illustrated by an examination of the combined capacity and consumption figures of the U. S. and Canada. From a combined capacity of around 7,450,000 tons this year, the potential by 1957 will have grown to about 8,650,000. If the record combined consumption of perhaps seven million tons this year is merely duplicated in 1957, that leaves 1,650,000 for export to other countries. In 1954, this total was about 765,000, and this year it will be about one million, based on results to date. That leaves 650,000 to pick up outside in two years, unless the U. S. market takes more. It seems logical to expect that U. S. publishers will patronize their domestic mills, so most of this export expansion would probably fall on the Canadian mills.

People reading U. S. newspapers today might be pardoned for wondering if it's physically possible to increase the size of newspapers much more. The Sunday editions, particularly, are massive documents that almost require carting home on your shoulder.

More Newspapers Sold

But size of newspapers alone isn't the only way in which per capita consumption can increase. The trend in population movement away from the farms and into the cities is meaning more customers for both morning and evening papers instead of just one daily or even just a weekly.

And the movement of city people to suburban living has been making possible a growth in suburban weeklies and even dailies — usually a supplement to, rather then a replacement for, the bigger city dailies.

Wider use of color in daily newspaper advertising has been a factor in attracting more ads and thus more pages for some papers, big as they are already.

These forces have undoubtedly played a part in the rise in U. S. consumption, although the spurt this year would appear to be due mainly to the leveling out in TV advertising growth and the completion of the publishers' newsprint-saving program.

Two other considerations might be mentioned. First, the U. S. publishing industry in recent years has gone through a period in which newspapers were emerged with others, or went out of business, due to pressure of rising costs and competition from other media. This caused some decline in former business of the newsprint mills.

Some observers feel the industry is on a sounder basis now, and if so, this could reduce the importance of this factor on total newsprint demand. However, it may remain a trend which could continue to affect consumption adversely.

Secondly, U. S. publishers have only relatively small stocks of newsprint on hand. In many industries, there has been inventory building which, when it's completed, will cut down demand for this purpose. But publishers have had no opportunity to build up a cushion of supply because of the very strong demand for newsprint in relation to available capacity. So there's lots of incentive to buy more, rather than less, for inventory purposes.

This can be seen from a quick look at the figures. U. S. newsprint stocks in July were equal to only 39 days' supply at a time when, under normal conditions, they would be much higher. July stocks last year, for instance, were equal to 48 days' supply, and in 1952, 54 days.

On balance, it would appear that barring a serious decline in general business conditions, U. S. consumption of newsprint will grow not only as fast, but probably faster than population, and that a total demand for 7.2-7.5 million tons by 1960 is quite a reasonable expectation. This would suggest an average annual gain of 125,000-180,000 tons a year in the period 1956-60.

At this rate, there would about 500,000-600,000 tons of additional newsprint available by 1957 for sale outside Canada and the U. S., less any tonnage that might still be wanted by publishers for inventory purposes.

World Demand Outlook

What sort of demand is there likely to be for this additional newsprint?

To answer this, let's look at the probable supply postion in overseas countries first. Finland is adding 140,000 tons, Britain expects to add about 150,000 tons, Sweden about 100,000 Belgium 55,000, Yugoslavia and the Netherlands 22,000 tons each, New Zealand 83,000, Mexico 33,000.

Along with some other possible additions, it looks as though there will be perhaps 700,000 tons added in the next three or four years. Together with North American expansion, it works out to about 475,000 tons a year.

Against this, demand has continued to increase outside North America. Earlier this year, for instance, the British were looking for an additional 100,000 tons a year from Canada (and incidentally received offers of only half that). Other countries have been shopping for more too, raising our exports abroad this year by 200,000 tons, or 30%. Even U. S. exports in the first seven months topped 100,000 tons, compared with 92,000 for the whole year in 1954.

On a world basis, newsprint consumption has risen an average of 540,000 tons a year in the period 1947-54. Even in the period 1950-54, when U. S. consumption rose an average of only 50,000 tons a year, annual world increase was 460,000. Despite this, many countries are still operating on short rations by any normal yardstick.

Thus the probable 475,000-ton per year increase in world capacity doesn't look much like a build-up for a glut. World production last year was about 11.7 million tons, or still 2.3 million below the 14-million level of consumption forecast for 1960-62 by the Food and Agriculture Organization of the United Nations.

What if these forecasts don't pan out? Couldn't there be a slump or an increase in consumption something less than the big increases in supply expected?

Chances are that there will be a surplus within the next couple of years. Some observers see excess capacity by the end of 1956 or some time in 1957.

But this doesn't automatically spell ruin. A 350,000-ton gap between capacity and demand two years from now would still leave the Canadian industry operating at 95% of capacity. Even if there is no increase in our sales to all markets in the next two years, domestic producters would still have to run at close to 90% of capacity.

Newsprint expansion characteristically has to be undertaken in fairly large chunks. Because of this, it would seem only natural that capacity should get somewhat ahead of demand periodically. This hasn't been true of the past decade, but it hasn't been entirely representative.

At any rate, it looks as though the present rapid rate of expansion will make available more newsprint than can be used. It also looks as though the gap between supply and demand won't be great, nor should it exist for very long.

Ease In Supply Squeeze by '57

Newsprint supplies are tight. Publishers' stocks are at their lowest level, in relation to consumption, since the shortage period just after World War II.

Canadian expansion since the war has been carried out largely through speed-up of existing machines. Until last year, only two new ones, one by Powell River Co. and one by Elk Falls, had been installed since prewar.

Now the picture is changing rapidly. In 1954, a Howard Smith subsidiary installed a machine. In the U. S., Bowaters put in two new machines and Great Northern Paper one.

This year five are under construction in Canada and four more in the U. S. In Canada: Powell River, Elk Falls, MacMillan & Bloedel, Great Lakes Paper and Minnesota & Ontario. In the U. S.: Southland Paper Mills at Lufkin, Texas; International Paper at Mobile, Ala., and another one each for Bowaters and Great Northern.

All this additional capacity, in addition to the speed-up program, will be available in two years.

What's Ahead for the Paper Stocks?

Pulp, Papers Outdistance All Other Industrial Groups

By W. L. DACK

Although their rate of advance has slowed down somewhat in the last couple of months, the pulp and paper stocks have still outdistanced all other industrial groups.

With the majority of companies in this group operating at, or near, capacity and a good deal of the bright future already discounted marketwise the price rise from here will likely be of a more moderate nature.

But with a number of the more aggressive companies now starting on a second wave of expansion, individual market potentials are still great.

From the end of August, 1954, to the end of this August the industrial stock index compiled by the Dominion Bureau of Statistics showed an increase of 37.3%.

In the same period, the DBS pulp and paper index rose 47.7%.

The strongly bullish tone in this group of stocks reflects:

—Capacity operations for most companies at even higher levels than last year.

—The high regard investors now hold for this group particularly as regards future dividend payout.

Probably the most promising development in the industry at the moment is the continuing expansion and modernization programs. Although every company in this, Canada's No. 1 manufacturing industry, has carried out extensive capital expenditure programs since the war, many are now launching out into additional programs designed to up mill capacity still further, in line with the seemingly insatiable market demand for pulp and paper products.

Since export markets account for some 80% of the industry's sales in both tonnage and value, outlook is governed largely by forward trade prospects. There is no doubt that expanding pulp and paper production in the U. S. will tend to narrow the domestic industry's export potential but so far that market is growing at such a pace that the increased U. S. output has meant little or no decrease in Canadian shipments.

For instance, to end of July this year newsprint shipments to the big U. S. market were 2,888,861 tons, up 2.7% — or 77,152 tons — over same period last year. Nevertheless, during the next couple of years some 400,000 tons of new newsprint capacity is slated to come into production in U. S.

Good Chances Abroad

But the prospects are for markets other than the U. S. to expand at a more rapid rate over the next few years as many overseas countries work themselves into a better trade and exchange position.

In the first seven months of this year, for instance, shipments of newsprint to these other markets were up 28% at 327,989 tons.

Perhaps of longer-term significance in the outlook for this branch of Canadian industry is the rise in consumption of newsprint in many underdeveloped countries. Improved education standards should lead to a tremendous increase in demand for newsprint in many Asiatic countries, for instance.

Although the trend in operating costs continues upward for most Canadian firms, they can still compete with any other nation in the world. Wide-awake management and active research are combining to keep the domestic producers in the market forefront. Some of the postwar Canadian pulp mills, particularly on the west coast, are among the lowest cost producers in the world.

The continued improvement in the financial position of pulp and paper companies has permitted payment of a higher proportion of earnings to shareholders, a trend which appears likely to continue as long as current high market demand holds. With the bulk of their heavy bonded indebtedness paid off and the major part of postwar expansion now over, many companies are able to be more generous than before.

While newsprint is the big dollar earner, Canadian plants market a broad range of other papers as well as pulps. Canada consumes domestically about 90% of about the same percentage of kraft, wrapping papers and board production. Thus firms concentrating in these products are less vulnerable to the fluctuating demands and prices in export markets.

Paperboard Growing

Production of kraft pulp, paper and paperboard comprises the second most important segment of the Canadian pulp and paper industry. Biggest factor in the substantial growth trend here in recent years has been the increasing requirements of the Canadian market.

In an accompanying table eight pulp and paper companies which have issued interim financial reports are reviewed. In every case earnings in the first half of the current year have exceeded those in the same half of 1954.

The improvements range all the way from an 8.8% increase by Donohue Bros. to a 37.3% jump by St. Lawrence Corp. One of the important factors in the improvement this year has been firmer prices for all products and high pulp shipments.

The big gain for both Bathurst and St. Lawrence, for instance, reflects strong markets in paperboard. Expanded production facilities has been a big factor in the case of St. Lawrence.

Abitibi: Since its reorganization in 1946, Abitibi, under excellent

(Continued on page 62)

Canada's Pulp and Paper Mills

Here is a complete list of the pulp and paper mills of Canada as compiled from statistics and information available to The Financial Post. It shows the name of the company, its head office, the location of the mill or mills it controls, and the kind of products it makes.

Keep the list handy. Use it as a guide to one of Canada's greatest industries.

Alberta

COMPANY	HEAD OFFICE	MILL	PRODUCTS
Building Products Ltd.	Montreal	Edmonton	Industrial papers.

British Columbia

Alaska Pine & Cellulose	Vancouver	Port Alice	Bleached sulphite pulp.
Alaska Pine & Cellulose	Vancouver	Woodfibre	Bleached sulphite pulp.
Bloedel Stewart and Welch	Vancouver	Port Alberni	Unbleached kraft pulp.
Canadian Forest Products Ltd. (Pacific Veneer and Plywood Div.)	New Westminster	New Westminster	Defibrated wood pulp. Building boards.
Columbia Cellulose Co.	Vancouver	Port Edward	Bleached sulphite pulp.
Elk Falls Co.	Vancouver	Duncan Bay	Pulp. Newsprint.
Howe Sound Pulp Co.	Vancouver	Port Mellon	Unbleached kraft pulp.
MacMillan, H. R. Export Co. (Pulp Div.)	Vancouver	Harmac	Bleached and unbleached sulphite pulp.
Pacific Mills	Vancouver	Ocean Falls	Groundwood, unbleached sulphite and kraft pulp, bleached sulphite pulp. Newsprint tissue, sanitary and wrapping papers. Paper boards.
Powell River Co.	Vancouver	Powell River	Groundwood and unbleached sulphite pulp. Newsprint.
Sidney Roofing and Paper Co.	Victoria	Victoria	Groundwood pulp. Wrapping and building paper. Paper boards.
Westminster Paper Co.	New Westminster	New Westminster	Groundwood pulp. Tissue. Sanitary and wrapping papers.

Manitoba

Building Products	Montreal	Winnipeg	Mechanical screenings. Building papers. Paper boards.
Fibreboard Manufacturing	Winnipeg	Winnipeg	Groundwood pulp. Building boards.
Manitoba Paper Co.	Toronto	Pine Falls	Groundwood and unbleached sulphite pulp. Newsprint.

Ontario

Acme Paper Products Co.	Toronto	Toronto	Paper Boards.
Abitibi Power and Paper Co.	Toronto	Iroquois Falls	Groundwood and unbleached sulphite pulp. Newsprint. Paper boards.
Abitibi Power and Paper Co.	Toronto	Smooth Rock Falls	Bleached sulphite pulp. Chemical screenings.
Abitibi Power and Paper Co.	Toronto	Fort William	Groundwood and unbleached sulphite pulp. Newsprint.
Abitibi Power and Paper Co.	Toronto	Sault Ste. Marie	Groundwood and unbleached sulphite pulp. Chemical screenings. Newsprint.
Abitibi Power and Paper Co.	Toronto	Sturgeon Falls	Pulp. Paper boards.
Alliance Paper Mills (Lybster and Lincoln Mills)	Merritton, Ont.	Merritton	Bleached and unbleached sulphite pulp. Book, fine, tissue and wrapping papers. Paper boards.
Beaver Wood Fibre Co.	Thorold, Ont.	Thorold	Groundwood pulp. Newsprint. Paper boards.
Brantford Felt and Paper Co.	Brantford, Ont.	Thorold	Building papers.
St. Lawrence Corp.	Montreal	Red Rock	Groundwood and unbleached kraft pulp. Paper boards.
Canadian International Paper Co.	Montreal	Hawkesbury	Bleached sulphite pulp. Chemical screenings.
Dominion Cellulose	Toronto	Toronto	Sanitary papers.
Don Valley Paper Co.	Toronto	Toronto	Miscellaneous fine, special industrial and wrapping papers. Paper boards.
Dryden Paper Co.	Dryden, Ont.	Dryden	Groundwood and unbleached kraft pulp. Wrapping and building papers.
Eddy, E. B., Co.	Hull, P.Q.	Ottawa	Groundwood and unbleached sulphite pulp. Book, fine, tissue and wrapping papers. Paper boards.
Gair Co., Canada	Toronto	Frankford	Groundwood pulp.
Gair Co., Canada	Toronto	Campbellford	Groundwood pulp.
(Dominion Mill Division)	Toronto	Toronto	Paper boards. Building boards.
(Paper Board Mill Division)	Toronto	Toronto	Paper boards.
(York Mill Division)	Toronto	Toronto	Wrapping papers. Paper boards.
Garden City Paper Mills Co.	St. Catharines, Ont.	Merritton	Tissue, sanitary and wrapping papers.
Great Lakes Paper Co.	Toronto	Fort William	Groundwood and unbleached sulphite pulp. Chemical screenings. Newsprint.
Hinde & Dauch Paper Co. of Canada	Toronto	Toronto	Paper boards.
Hinde & Dauch Paper Co. of Canada	Toronto	Trenton	Paper boards.
Howard Smith Paper Mills	Montreal	Cornwall	Soda, bleached and unbleached sulphite pulp. Newsprint, book, fine, miscellaneous fine and wrapping papers. Paper boards.
Interlake Tissue Mills, Co.	Toronto	Merritton	Miscellaneous fine, tissue, sanitary, and special industrial papers.
Kimberly-Clark Corp. of Canada	Toronto	Kapuskasing	Sanitary papers.
K.V.P. Co.	Espanola, Ont.	Espanola	Groundwood, bleached, semi and unbleached kraft pulp. Newsprint, wrapping and building paper. Paper boards.
Long Lac Pulp and Paper	Terrace Bay, Ont.	Terrace Bay	Bleached kraft pulp.
Marathon Paper Mills of Canada	Port Arthur, Ont.	Marathon	Bleached, semi and unbleached kraft pulp.
Miller Bros., Co.	Trenton, Ont.	Glen Miller	Paper boards.
St. Lawrence Corp.	Montreal	Nipigon	Groundwood pulp.
Ontario-Minnesota Pulp and Paper Co.	Kenora, Ont.	Kenora	Groundwood and unbleached sulphite pulp. Newsprint.
Ontario-Minnesota Pulp and Paper Co.	Kenora, Ont.	Fort Frances	Groundwood pulp. Newsprint, groundwood, printing and specialty papers.
Ontario Paper Co.	Thorold, Ont.	Thorold	Groundwood and unbleached sulphite pulp. Newsprint. Paper boards.
Provincial Paper	Toronto	Port Arthur	Groundwood, bleached and unbleached sulphite pulp. Newsprint and wrapping paper.
Provincial Paper	Toronto	Mille Roches	Newsprint, book and fine papers.
Provincial Paper	Toronto	Thorold	Newsprint, book, fine and miscellaneous fine papers.
Sonoco Products Co. of Canada	Brantford, Ont.	Brantford	Paper boards.
Spruce Falls Power and Paper Co.	Toronto	Kapuskasing	Groundwood and unbleached sulphite pulp. Newsprint.
Strathcona Paper Co.	Napanee, Ont.	Strathcona	Paper boards.
Thorold Pulp Co.	Thorold, Ont.	Thorold	Groundwood pulp.
Abitibi Power and Paper Co.	Toronto	Port Arthur	Groundwood and unbleached sulphite pulp. Newsprint.
Welland Pulp Products	Thorold, Ont.	Thorold	Groundwood pulp.

Quebec

Anglo-Canadian Pulp and Paper Mills	Quebec	Quebec	Groundwood and unbleached sulphite pulp. Newsprint. Paper boards.
Back River Power Co.	Montreal	Montreal	Wet machine boards.
Barrett Co.	Montreal	Joliette	Building and roofing papers and felts.
Bennett	Chambly Canton, P.Q.	Chambly Canton	Wet machine boards.
Bishop Asphalt Papers	Portneuf Station, P.Q.	Portneuf Station	Building papers.
Breakey, John	Breakeyville P.Q.	Breakeyville	Groundwood pulp.
St. Lawrence Corp.	Montreal	East Angus	Groundwood and unbleached kraft pulp. Sanitary, wrapping and building papers. Paper boards.
Building Products	Montreal	Pont Rouge	Paper boards. Insulating board papers.
Brown Corp.	Berlin, N.H., U.S.A.	La Tuque	Bleached, semi-bleached and unbleached kraft pulp. Paper towels.

(Continued on page 72)

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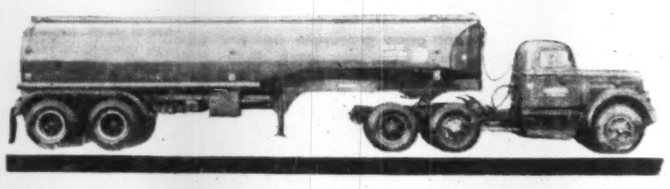

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This Paper Market Growing

Demand Expands With New Packaging Techniques

Probably the first use of paper as a packaging material occurred early in the first century after the birth of Christ, shortly after the first paper was developed in China.

But it took a long time until paper became an important material for holding things. It wasn't until wood became the major raw material for making paper and special machines and processes were developed which made paper low in cost.

Expansion of the use of paper beyond printing didn't occur until early in the 19th century when merchants began to use various types as wrappers for their products. The first packages were made by the merchants who rolled a sheet of paper into a cone, filled the cone and closed the end.

Now different forms of paper ranging from cheap kraft to stiff board are used in thousands of different ways as containers and wrappers. Making paper for packaging purposes is second only to making newsprint in importance in the Canadian pulp and papermaking industry.

Container and boxboard — the two broad types of materials usually considered packaging materials — keep some 40 paperboard mills busy churning out material to be used in holding everything from kiddies' bubble gum to heavy refrigerators in a better than $100-million annual business.

These plants use woodpulp as their basic raw material but some types of paperboard are made with straw and re-pulped waste paper. Some of the 40 mills buy pulp and others both manufacture and buy. Generally, mills making package-type paper products from waste paper are located in or near larger centres while the giants making kraft and other wrapping-type paper from wood are far in the bushlands near their raw material.

Major Raw Material

Paper packaging products probably account for the largest proportion of raw materials used by the $750 million packaging industry which has mushroomed with the revolution in merchandising and shipping methods throughout the world.

As packaging grows so does paper production. For a cheap material that can be converted to fit practically any need required of a container, paper is ideal. And in selling and shipping goods, industry and business are spending more and more money on the package.

For example, retailing methods have been revolutionized with the growth of supermarkets. Goods are pre-packaged and made available for a housewife to simply pick up from a shelf. And because of this self-service approach, the packages must be a selling tool — eye-catching and telling the story of the product.

On the other hand, paper is used simply as a container at every level of industry. Car parts, washing machines, machine tools and almost every conceivable item that weighs up to about 500 pounds can be carried in a paper container. The use of paper packages in carrying heavier goods was developed during war years when it became necessary to package war material to withstand tropical heat, arctic cold, immersion in water and battering from unorthodox handling equipment.

"Use no hooks" and "fragile" were almost unknown in war years. But paper weathered the stringent tests of those years and is continually being refined and researched to develop even more varied types for packages.

Recent research has shown that radioactive rays can be used to keep food for long periods. This is expected to lead to even greater use of paper, in conjunction with metal foil as a major food-packaging material.

Paper Use Varied

Paper in packing breaks down into several basic categories. The most common is for wrapping. Wrapping paper accounts for the largest single part of the packaging field with well over $50 millions worth made annually. Kraft is the most common (output worth $30 millions) but there are a variety of ways of treating wrapping paper to give it different finishes for specific products. The housewife knows of waxed paper. There are plastic coated wrappers which are coming into prominence.

The pulp and paper industry makes the basic wrappers, the packaging industry converts these into specifically required types by coating or impregnation.

There are different types of bag papers. The ordinary grocery bag is made from strong unbleached kraft, often with built-in wet resistance so that the bottom won't burst when a cold bottle of milk is being carried.

Multiwall bags are a rapidly growing facet of the industry being used in a variety of ways. A housewife can buy a brick of ice cream, put it into a small multiwall bag and carry it home without fear of the ice cream melting into soup.

For industry, multiwall bags can be treated in variety of ways which will make them suitable for carrying cement, flour, barnyard feeds. They can be made with a variety of layers, special coatings, laminations and impregnations. Properties can be built in that will keep out dirt, moisture or insects.

One important property of paper is the fact that it is sterile. The process of manufacture eliminates bacteria and fungi. This means that paper can be used as liners in large barrels or very heavy containers to keep out impurities. Many chemicals are packed this way including powders, liquids, greases and oils.

Paperboard production falls into two broad categories, container board and boxboard. Container board includes liners, chipboard (made from waste paper) and the easily recognized corrugated type. Boxboard includes folding and setup types and accounts for slightly more than half of the combined paperboard-boxboard production.

Market On Increase

Boxboard use has been swelling rapidly since this is the material used for cigarette, frozen food and variety of other packages which are vital in what retailers call point-of-sale. It is sturdy and can have a multitude of special qualities built in which will take different types of printing, retain moisture or keep an oily substance from staining a package.

Boxboard production last year amounted to some 470,000 tons, compared with some 370,000 tons of container board.

Folding type boxboard has built-in qualities which mean it can fold easily into boxes for soap flakes, cereal or cigarettes. The pulp and paper industry makes this product and ships it to converters who cut it into patterns, print it, glaze it or do whatever is demanded by the company which will be using it.

Setup boxboard is stronger and doesn't fold. Chocolates are packaged this way, shoes and so on. (Folding boxboard output is more than four times setup.) Other types of boxboard include those used to make milk bottle caps, pie plates, gypsum wallboard and for a special wrapping paper to protect giant rolls of newsprint.

Container board is designed for strength. It is used basically in shipping goods rather than in prettying them up for easy sale off a retail shelf. However, recent developments in retailing of beer, pop and other bulky and heavy items indicate the container board may become just as colorful as a soap carton. Many container-board packages are being colorfully imprinted to catch the public eye.

Old Material, New Uses

Corrugating board is well known. It is fluted paperboard which is backed by liner-board. In recent years this product has become the basic container of TV sets, refrigerators and many other heavy items. Package engineers have found ways of building up its strength through use of several layers and strong adhesives so that it can withstand pounding.

These sturdy paper products have gained ground mostly at the expense of wood. But by far the growth of the use of paper products in packaging is part and parcel of the steady growth in the standard of living. The end is not yet in sight. New markets and new and better products are continually being developed.

The past twenty years have seen a spectacular rise in this part of the pulp and paper industry with no sign yet of a slowdown. Its importance to the over-all pace of the economy is seen in the close attention paid by economists to production and sales figures of paper products for packaging.

The Paper In Packaging

	1944	1949	1954	'55 first half
	tons			
Wrapping	156,721	195,585	246,197	124,678
Liners	139,912	184,694	235,732	115,653
Container Chipboard	6,669	7,708	3,051	1,579
Corrugating Board	80,493	129,121	130,282	66,331
Folding Cartons	114,005	143,215	175,837	90,845
Setup Boxes	52,893	45,525	44,918	22,672
Other Boxboard	144,082	174,592	208,231	81,286

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Then, if they will sacrifice a little time each year to help improve fish and game habitats by planting shrubs and trees on marginal lands and along fence rows to provide food and shelter and reduce run-off and stream silting — and protect the lands and forests from fire — the job will be half done.

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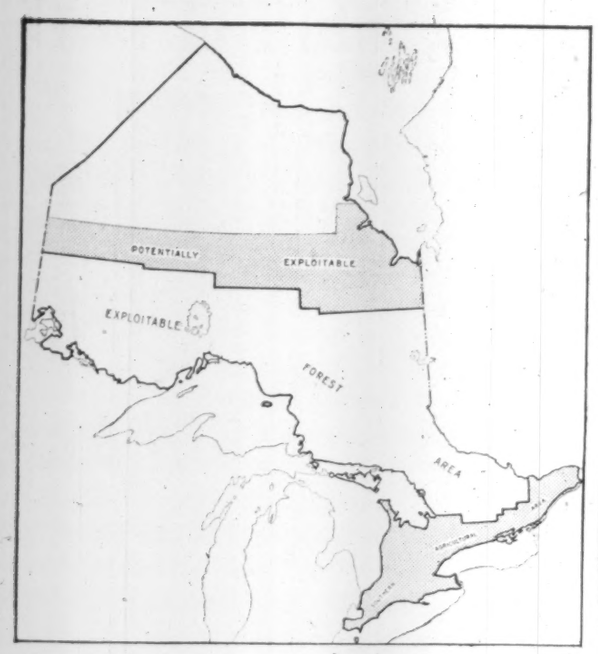


Ontario Takes Stock of Rich Wood Resources

Ontario's Department of Lands and Forests is putting finishing touches this year to its $5 million forest inventor program to show clearly the potentialities of its 172,000 sq. miles of coniferous wood and to prepare for development of new forest industries.

The basic inventory was completed in 1953 detailing the main exploitable forest area and the processing of data obtained then still is continuing. This year Lands and Forests technicians are winding up their detailed study of the province's southern agricultural area and work is beginning on an inventory of the potentially exploitable area stretching from the southern half of James Bay to the Manitoba border.

Having taken a good long look at its forests, Ontario isn't entirely satisfied with what it sees.

Because no one really knew the full extent of Ontario's forest resources until now, cutting practices are out of balance. Until the stocktaking, many forest users couldn't see the forests for the trees directly in front of them. The result is:

—Some areas close to population centres or transportation facilities have been overcut severely and some mature forests are in danger of disappearing.

—Other regions, farther from transportation facilities, have been undercut markedly so that forest areas become overmature and wasted.

Most noticeable is the white pine condition. White pine, an excellent lumber source, has been exploited heavily for some 100 years and much of this cutting occurred during a time when little or no practical knowledge existed on the subject of perpetual yield forestry.

White pine cutting today is only about 15% of the production 50 years ago. It will decline further until the second growth stands mature—a matter of some 40 years.

The purpose of the forest industry is to provide information that will help future governments and forest utilization corporations to avoid the pitfalls that the white pine cutters couldn't see.

Main aim of the inventory is to put Ontario's vast forest lands on a sustained yield basis and to point the way toward complete economic use of forest lands not yet being harvested.

Major remedial action to date is the plan of the Department of Lands and Forests to assist forest harvesters in opening up new territories that are in danger of becoming overmature. An appropriation of $500,000 was voted by the Legislature this year for that purpose and most of this money will be spent on wilderness road construction.

Plan More Utilization

Meanwhile, the department is making detailed plans for the transition from a forest liquidation policy to a program of near complete utilization and sustained or increased yield. The inventory data obtained to date shows that this transition must be made if the province's pulp and paper makers are to maintain and expand their operations over a long period of time.

Pulp cutters and paper makers have long recognized the need for an inventory program such as this and they have co-operated completely with the Lands and Forests technicians. Much of the actual inventory work was done by private corporations who then supplied the Department with their findings.

Since the inventory got under way in 1946, some $5 millions has been spent on the work. Of this amount, $3.9 millions was contributed by the Ontario and federal governments and an estimated $1.1 millions was spent by individual forest property license holders.

The Federal Government entered the picture in 1951 and since that time it has matched the provincial expenditure dollar-for-dollar.

Corporations hired their own foresters and did their own detailed inventories at their expense in an effort to acquire more information than required for the broad inventory. Of the 172,000 sq. miles of exploitable forest area covered in the first phase of the program, 80,000 sq. miles was covered by private foresters who were supplied with accurate photo mosaic maps by the Department of Lands and Forests.

Forest operators, said government timber management executive J. A. Brodie, played a key role in the inventory program. "They knew it was as essential to them as it was to us to know exactly what their forests contained and they did a wonderful job," he added.

Results of this inventory already are being felt. The knowledge of where specific timber stands are and the characteristics of individual forest areas are proving to be important factors in present-day forest management.

Here are the highlights in each of the 16 inventory districts completed to date:

NORTH BAY

Total area: 5,441 sq. miles. Productive forest lands occupy 79% of the total area, water covers 11%, and 10% is composed of nonproductive forest lands. Total timber resources are some four billion feet, more than one half of which is hardwood. Spruce and balsam comprise slightly less than one third of the softwoods.

Annual allowable cut is 87 million cu. ft.

Inventory showed that red and white pine cutting was double the rate permitted under sustained yield regulations. Only 9% of the allowable cut of hardwoods is utilized currently.

TIMISKAMING

Total area: 5,389 sq. miles. Productive forest land occupies 2.7 million acres of which 51% is mixed woods, 25% coniferous, 15% hardwood and the rest is water and waste. Reproducing forest accounts for 32%, 47% is immature, and 21% is mature. Timber resources total 3.3 million ft. and the leading species are poplar, white birch, jack pine, black and white spruce.

Annual allowable cut is 95 million cu. ft.

The inventory showed that no species were being overcut. Allowable cut for white and red pine is utilized only to the extent of 67%, 84% for jack pine, and 76% for white and black spruce. Only a small part of the allowable hardwoods cut is being utilized.

COCHRANE

Total area: 11,492 sq. miles. Productive forest lands occupy 75% of the total area, water covers 7%, 3% is nonforested, and 17% is nonproductive. Volume of wood available is 8.2 billion cu. ft., 80% of which is in mature stands.

Black spruce makes up 45% the total volume. Balsam, jack pine and white spruce are found in substantial quantities. Poplar and white birch account for 27% of the available wood.

Annual allowable cut of conifers is 96 million cu. ft.

No species at present is being cut at a rate over the allowable

(Continued on page 64)

Science Winning War on Bush Bugs

How successfully can you keep trees alive in the face of a raging insect epidemic? Foresters are finding out, over large areas in Eastern Canada and so far the results are encouraging.

The balance sheet of the aerial forest-spraying operations against the budworm in New Brunswick and the Gaspé peninsula is drawn up in these figures:

—Area sprayed in 4 years: 5½ million acres — almost 9,000 sq. miles.

—Cost: $6 millions plus.

—Airstrips built: five in Quebec, eight in New Brunswick.

—Net results: in New Brunswick and Gaspé practically all of the billions of fir and spruce trees — prime raw material for newsprint and other pulp and paper products of New Brunswick's seven mills — in the sprayed areas, have so far survived almost sure death.

—Future prospects: in New Brunswick, more spraying, some on new areas, much on areas sprayed previously, two or three years ago.

Decision in Gaspé is dependent on results of current entomological surveys.

Foresters are satisfied that it is possible to keep trees alive over extensive areas by spraying, despite a severe budworm epidemic. Costs, which appeared almost prohibitive in the 1952 experimental operation, have come down to a practical level.

"We now consider it economically feasible to keep thousands of square miles of valuable and productive forests alive for as long as we have to, in order to save them from destruction by an insect epidemic," says Vernon E. Johnson, president of New Brunswick International Paper Co., which conducted the first spraying operation, and is one of the four pulp and paper companies participating in the government-supported co-operative carrying out the New Brunswick spraying.

Other participants are Bathurst Power & Paper Co.; Irving Pulp & Paper Co., and Fraser Companies Ltd. The Federal Government pays a third of the cost through a grant to the province.

Quebec Operation

In Quebec, the operation is also a co-operative one, but the formula differs. No federal aid has been sought by the Provincial Government which split the 1955 costs with 11 forest operators. The Quebec Forest Industries Association carries out the spraying.

In both Gaspé and New Brunswick, the economic values at stake in the battle against the budworm are tremendous. While the Gaspé forest may represent only part of the vast Quebec forest domain, it is a well-wooded area of high productivity and of great value not only to the people of the immediate vicinity, but to distant mills which draw some of their timber supplies from it.

In New Brunswick, the stakes are much bigger. The forest is the source of some 60% of the total income of the people of the province — and in the threatened woodlands are some of the finest stands of spruce and fir in N. B.

The need for spraying was highlighted by a recent report of the federal entomologists that trees in check areas in New Brunswick which were left unsprayed as a control measure, have begun to die in large numbers, as against comparatively few in sprayed areas.

The side effects of spray on salmon and other fish in the many streams found in the areas doused with insecticide have given rise to fears that the Atlantic salmon population, already declining as a result of various factors, may be wiped out permanently. Out of the conflicting rumors and word-of-mouth stories circulating on the subject, comes a recent statement by Dr. C. J. Kerswill of the Fisheries Research Board of Canada.

Affecting Salmon

The spraying, according to Kerswill, is not likely to result in permanent reductions in the salmon population on the Miramichi although runs in two or three years' time will be reduced.

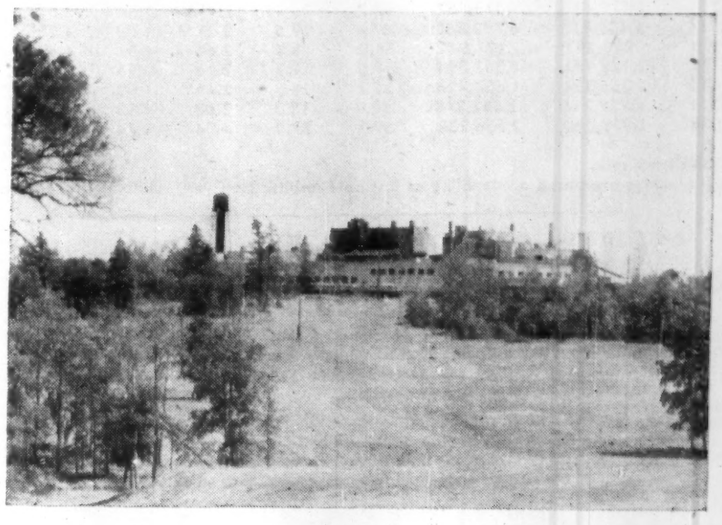
Dr. Kerswill had issued in the fall of 1954 a report showing that the insecticide had killed fry and parr in 1954 on the Miramichi river, where a salmon research project was in progress.

According to Dr. Kerswill's report on last year's research on the Miramichi, DDT kept killing the baby salmon for some weeks following spraying, and fears were felt in some quarters that the delayed action of the insecticide might carry over to the next year. The presence this year of a normal fry population of parr, and of smelts last spring, in sprayed waters, discounted this possibility. Spray has not been found to have any effect on the adult salmon.

However, answers to all the questions on the effects of DDT upon the salmon have not yet been found, and intensive investigations are being conducted by the fisheries people, as well as by provincial biologists in Quebec.

New Brunswickers, particularly residents of the Miramichi valley, are following the progress of the spraying with interest and some anxiety. In the 1920s, a previous budworm epidemic wiped out some of North America's finest pulpwood stands along the Miramichi, and the economic effects of the insect's ravages are still being felt.

The forest has come back in the affected regions, but the stands are still young and just now approaching the productive stage. The budworm is back also, and the young woods have had to be sprayed once already with satisfactory results.



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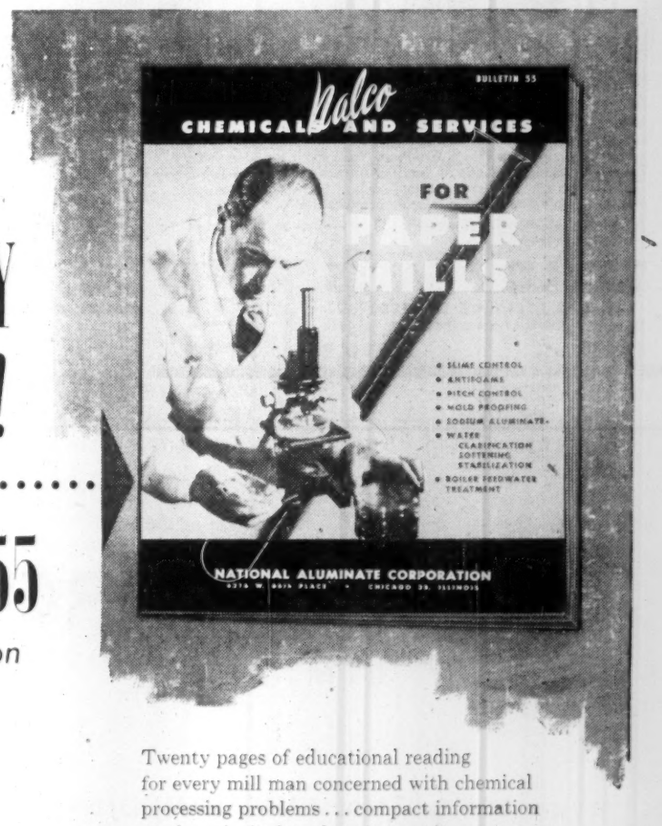

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Here's Financial Record of Eight Pulp and Paper Firms

	Net profit for all 1954 $	Net profit 1st half 1954 $	Net profit 1st half 1955 $	1st half net 1955 to all 1954 %	Change in net, 1st half '55 from '54 %	Earnings per Share All 1954 $	Earnings per Share 1st half 1954 $	Earnings per Share 1st half 1955 $	Recent Price per share $	Recent Price Times Earnings All 1954	Recent Price Times Earnings *Prospective 1955
Abitibi	10,265,901	5,345,755	6,508,342	61.3	21.7	2.49	1.22	1.49	37	14.8	12.3†
Bathurst	2,692,283	1,119,922	1,413,587	47.7	26.2	7.41*	2.80	3.53	63½	8.5	9.0
Consol. Paper	11,848,327	5,436,452	6 798,352	57.4	19.5	2.31**	1.06	1.32	39½	17.0	14.9
Donohue Bros.	791,590	393,292	427,841	54.0	8.8	2.64	1.31	1.42	32	12.1	11.2
Fraser Cos. ..	4,868,171	2,138,782	2,383,894	49.0	11.5	2.16	0.95	1.07	35¾	16.5	16.7
Great Lakes .	3,116,444	1,356,334	1,634,426	52.4	20.5	2.45	1.02	1.31	43½	17.5	16.4
Powell River .	11,258,311	4,939,216	5,852,378	52.0	18.5	2.68	1.18	1.39	57¼	21.3	20.4
St. Lawrence.	4,451,038	1,919,560	2,636,338	59.2	37.3	4.04	1.74	2.39	79	19.5	16.5

* Class A stock.
** Adjusted for 2-for-1 stock split.
† Prospective 1955 earnings are based on doubling of first half results. Half year results do not necessarily indicate full year trend.

What's Ahead for the Paper Stocks?

(Continued from page 59)

management, has undertaken a $50 million expansion and modernization program. In this time company's total production jumped 26% to around 970,000 tons, with newsprint representing some 80% of total. In that time net profit has risen from $5.6 millions to $10,625,000. Funded debt of $53 millions at end of 1946 has been reduced to a little over $32 millions. Outstanding preferred stock has been cut down from $29 millions to $13¾ millions in same time. Company still has a 10% interest in Alaska Pine & Cellulose.

Despite a fairly strong move in company's common stock in last couple of years, the recent price (around $37 a share) only represents some 12.3 times prospective 1955 earnings. In fact by this yardstick Abitibi appears one of the most underpriced of all the Canadian pulp and paper companies.

In his six-month earnings report, President D. W. Ambridge attributed the 21.7% jump in earnings this year to increased sales, a more favorable exchange rate for U. S. funds and somewhat lower income taxes.

Consolidated Paper: This company ranks as the third largest Canadian producer with operations primarily in newsprint. Profit margins on sales are higher than the industry average and indicate one of the most efficient operations in Canada.

This company started off the postwar period with a funded debt of about $42 millions. The last of this was cleared off early this year. Only securities outstanding now are 5,132,484 common shares. The company has wiped out its debt during this period while at the same time carrying on a large-scale expansion and modernization program that will boost annual capacity by 100,000 tons through installation of vacuum pick-up equipment on nine machines. The program will be financed entirely out of profits.

The company's split stock is now trading around $39½, which on the basis of the old stock represents a 46% jump from same time last year. This stock is widely included in the portfolios of conservative investment companies.

Great Lakes: Company's newsprint production steadily increased during postwar years and is now running some 35% over 1946 compared with an over-all industry increase of around 29%.

First-half earnings were up 20.5% over same period last year and officials see a very good entire 1955. Company plans a $20 million expansion program at its Fort William, Ont. site, involving installation of a new newsprint machine. This will increase production by about 245,000 tons annually.

At current market price of $43½ a share company's stock is selling at about 16 times prospective 1955 earnings.

Powell River: This company continues to turn in an outstanding operating record and is one of the most popular among the pulp and paper group. The company has had many advantages over other competitors in its proximity to wood supplies, concentration of its newsprint machines under one roof, location on tidewater.

It has greatly boosted capacity and is in the process of installing its ninth machine. Still under consideration is a venture at Kitimat in conjunction with Aluminum Co. of Canada—construction of a pulp and paper mill utilizing pulpwood from timber stands in the Kitimat area and electric power from the Aluminum Co's Kemano generating station.

At a present price of around $57¼ a share the stock carries a price—times-earnings ratio (prospective 1955 earnings) of 20.4.

St. Lawrence: As a result of a recently completed large-scale expansion program in container board facilities company is now showing a sharply expanding production and earnings trend. Earnings were up 37% in first half. Company went through a big reorganization following war, in an effort to clear away large arrears of dividends on the preferred stock. Through use of debt financing and use of retained earnings company then cleared away all the preferred stock as well. Company is in a strong position now to profit from high operating level.

Theory Gets Into Practice To Beat the Noise Problem

Until Dr. George Thiessen, of the National Research Council, got busy on it, noise was a key problem inside the newsprint mill. Now he has translated theory into practice to win a major victory for the Canadian pulp and paper industry. Here's what the problem was and how it has been solved.

In the paper mills, enormous papermaking machines are being made to go faster and faster. This produces higher and higher levels of industrial noise. By 1954, the noise problem was one of the worst technical difficulties in the industry, and the National Research Council was consulted.

Less than a year later, this intricate and difficult problem was solved by Dr. George Thiessen, head of NRC's Acoustics Group in the Division of Applied Physics.

The first step, as an emergency measure, was the invention of "ear defenders" that could be worn like ear muffs and that really worked. These were based on a novel principle: the cushion over the ear had to be soft to give a comfortable fit and it also had to be hard to avoid transmitting vibrations. A liquid was the answer. The liquid partly fills a sheath, shaped like a doughnut, to fit over the ear. This is soft until it is in place; then the head band holds it under pressure.

Dr. Thiessen then turned his attention to the real problem—the sources of sound within the machines. Most of the noise came from the "couch roll"—a cylinder around 4 ft. in diameter and from 10 ft. to 20 ft. long. Wet pulp travels over the couch roll. This roll is pierced by more than a hundred thousand quarter inch holes to which suction can be applied. The suction pulls sufficient water out of the pulp, in a hurry, so that the pulp can then support its own weight on its way to the next roll. But when these rolls leave the suction box, they are rapidly filled, one after the other, with air—at the rate of 600 to 800 rows of holes per second—or around half a million noises per second. The combined noise has to be experienced to be believed.

Holes Rearranged

Dr. Thiessen uses several methods of silencing the couch, depending on the kind of machine. The most important method is to drill the holes in a helical pattern instead of in straight rows. The idea is to put these holes in the right place, so that at the right speed range, the sound waves interfere with each other and nearly all of the noises are canceled out.

This possibility has been attractive for many years, but anyone who tried it had to face a wall of difficulties. The fundamental theory is so abstruse that previous attempts were on a "cut and try" basis, and none of these resulted in the correct helix.

Because of his theoretical background, experience, and ability, Dr. Thiessen was able to predict the exact amount of helix necessary to give most reduction in noise. The work was so complex that the final calculations had to be made by an electronic brain at the Computation Centre, University of Toronto.

The resulting helix was tried in a model and it worked exactly according to Dr. Thiessen's predictions from theory. This development was greeted with considerable enthusiasm by the industry, and new couch rolls will be made, carrying the Thiessen helix.

Meanwhile the noise of the old couch rolls can be greatly reduced by another technique devised by Dr. Thiessen: the air flow back into the holes is controlled in such a way that the holes are filled to exactly atmospheric pressure—no more and no less—in about a thousandth of a second. It has to be done that quickly to avoid interfering with the operation of the machine and it has to be done exactly so that the air in the holes doesn't oscillate—oscillations would be noisy. The air-filling process still involves some noise because of turbulence but this noise is let loose inside a box.

Industry Steps In

Scaling up laboratory results to industrial size is never easy and in this case it called for exceptional co-operation from the industry. The typically Canadian procedure adopted was to form a committee of the Technical Section, Canadian Pulp and Paper Association, which brought together senior officials from the industry and scientists of the NRC.

The committee, under the chairmanship of W. T. Bennett, Chief Engineer of Canadian International Paper Co., achieved a swift and effective transition from laboratory experiments to full-scale tests in paper mills on production machinery. These tests confirmed Dr. Thiessen's theories.

On June 6, Dr. Thiessen's discoveries were disclosed at the summer meeting of the Technical Section, Canadian Pulp and Paper Association, and this was followed up late in June when a group of senior engineers, representing 18 pulp and paper companies and manufacturers of heavy machinery, gathered at the National Research Laboratories to hear Dr. Thiessen describe the application of his findings. This influential group will supervise the manufacture of the new machinery and the application of the silencer to existing couches. Since a couch costs $40,000 to $50,000, new ones will not ordinarily be installed until the old ones wear out or become obsolete.

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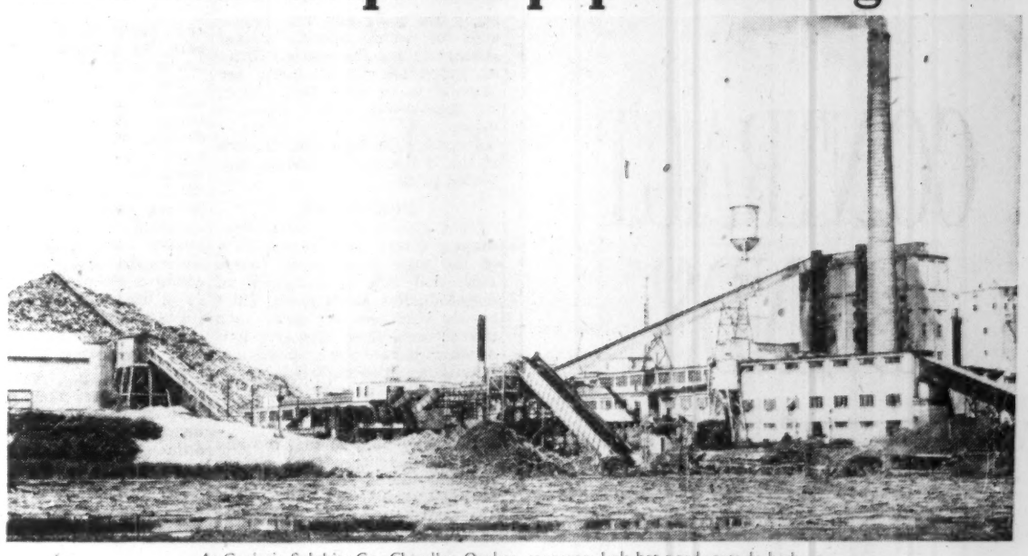

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'How Is Pulp, Paper Industry Fixed for Wood?'

Here's A Close Look At Conservation Of Our Forest Wealth

By GORDON GODWIN

How are you fixed for wood? In answer to a similar question concerning razor blades posed on a well-known TV commercial, a wise-looking owl advises, "You had better check." And it is well for us to check on all material supplies from time to time to ensure that we have enough and that our consumption methods provide for maximum utilization with minimum waste. The material under consideration today is wood and the information presented concerning wood represents my interpretation of the current utilization policy of one of Canada's largest forest industries — the pulp and paper industry. Let's see how we're fixed for wood.

The Canadian pulp and paper industry uses 22% of all the wood that each year is taken from our forests. The saw-milling industry and other industries using logs and bolts consume 31% of the total. Fuel wood demand accounts for 21%. And fire, insects and decay take 19% — an amount nearly as great as that consumed in the manufacture of pulp and paper.

Before examining the wood supply position we should review the importance of this industry to the national economy. Canada is the world's greatest exporter of both pulp and paper. The value of production exceeds a billion dollars yearly. About 80% of all production is exported and about 93% of all newsprint is sold to foreign countries. One in three of all American dollars received in trade is a pulp and paper dollar. One in five of all dollars Canadians receive in world trade is a pulp and paper dollar. One dollar in eight of the average Canadian's annual income is a pulp and paper dollar. It's a big industry. It is the biggest industry in Canada. And, fortunately, it is founded on a renewable natural resource — wood.

There is a current and a very healthy interest in conservation. The conservation of all materials is a subject which must engage national, provincial, municipal, and individual attention because exhaustion of resources means death to our economy and our standard of living will fall in ratio to diminution of raw material supply. But we must understand what conservation means. It is not synonymous with preservation. It does not mean that a resource should be hoarded and not used. In a report entitled, Resources For Freedom issued by the U.S Materials Policy Commission, conservation is defined as "something very different from leaving oil in the ground or trees in the forests on the theory that by sacrificing lower value uses today we will leave something for the higher value uses of tomorrow when supplies will be scarcer." The report continues, " . . . following a course of conservation which weighs economic factors carefully is very different from the eat-drink-and-be-merry philosophy which sees no point in judicious restraint and no cause to worry over posterity's welfare."

Conservation of materials means that our supplies should be used for present welfare but in such manner that there shall be minimum waste and maximum return on all materials and that in the case of renewable resources provision shall be made for supply in perpetuity. How well is the pulp and paper industry fulfilling its obligation in resource conservation? This is a matter in which every Canadian has a financial interest. How are you fixed for wood?

Viewers With Alarm

From time to time men of good intention, but with seeming inability to see the forest for the trees that have been felled, display alarm and cry that our forests are disappearing as a result of what has been called "the North American Assault on the Canadian Forest." The White Paper, tabled before the last session of the Ontario legislature entitled, Suggestions for Program of Renewable Resources Development speaking of white and red pine says, "It will have taken less than a century of exploitation to deplete the once great pineries of the Ottawa-Huron region in Ontario to the vanishing point."

There can be no denial that our once great pine forests are disappearing but there is need for realistic appreciation as to the reasons therefor and the effect therefrom by those who, in their desire to preserve the forest, tend to use the word exploitation in its most derogatory sense. Of course, the forests were cut down. And they were cut down by men who had the right to expect a profit from the resulting forest products. In the cutting, they cleared the land on which arose our towns and cities, and on which our farms became established. Exact data are lacking but at least half, and probably two thirds, of the land formerly covered by pine forests now produces agricultural crops. Sentimentality for our vanished forests is carried to excess if from it there arises even the implied suggestion that land made available to agriculture through forest clearing should be returned to forest.

The great expansion of our pulp and paper industry has required more wood. Are we using it too fast?

In the accompanying article, a digest of a speech made by Gordon Godwin, the industry is living within its means. The current forestry program is concerned not so much with possible exhaustion of wood resources, but with the expansion of resources beyond those now available. Mr. Godwin is woodlands manager of the Ontario division of Ontario Paper Co.

And what of the land that was logged and that either proved unsuitable for agriculture or that failed to reproduce itself to forest? It lies there idle, but not as any monument to exploitation. It exists in testimony to the general lack of interest in conserving a commodity which appeared to be in over-generous supply.

Things Are Changing

In the last few years a great change has occurred. There has been a growing awareness among governments, the forest industries and the people of the meaning of resource conservation and the need for it. This is particularly true of the pulp and paper industry which, with its immense capital investment, is obliged to provide its mills with a continuous supply of wood fibre.

So far as the pulp and paper industry is concerned, there is no interest in debating the precise meaning of the word "exploitation" as applied to past methods of forest operations. We have absorbed the lessons of history, we operate for continuous production in perpetuity in the present, and we expect even greater yields from our forests in the future. We have checked our supplies of wood and we find we are well fixed. So far as wood supplies are concerned we are in business forever.

In forest management the main elements to be considered are: Inventory; Inventory Protection; Crop Harvesting; and Regeneration to ensure future crops. Let us examine the inventory position first. What is the stock of wood behind the pulp and paper industry?

With very considerable help from the forest industries who supplied data on their lands held under license from the Crown, the Ontario Department of Lands and Forests has completed a forest inventory of the province. Detailed province-wide statistics are available but the general situation is described in the Department's White Paper.

This document is somewhat difficult to follow in that, although a welcome and valuable presentation of departmental forest policy, it contains statements that appear to be contradictory. In one place it says that spruce is being overcut. In another it says that spruce is being operated "precariously close to its allowable cut."

Many of us are confused, not only by the contradiction, but also by the meaning of the second statement. The expression "allowable cut" means exactly what it says. A paper company expects to cut exactly the amount that is allowable without depleting the forest. It may cut less depending on product demand but it will not, and indeed by law may not, cut more than the allowable cut. By definition no situation could exist where the expression "allowable cut" is qualified by the word "precariously close." The cut is either allowable or is not.

Perhaps the over-all situation is better explained by that passage in the White Paper which states that the total allowable yearly depletion of softwoods is 542 million cu. ft. and that the average annual cut for 1946 and 1950 inclusive was 320 million cu. ft. These figures indicate that the forest industries are cutting only 60% of the wood volume that may be removed without depleting the resource. From the surplus, fire, insects, and disease take their toll. The federal forestry authorities calculate that nationally this toll amounts to 19%. Certainly similar losses in Ontario do not exceed the national ratio.

Could Cut More

Thus with all inventory withdrawals accounted for, and in consideration of growth rates, it is clear that we are in no danger of exhausting our forests. As the White Paper points out, "a moderate increase in the annual cut of about 00 million cu. ft. of softwood could be made safely."

How are you fixed for wood? Well, we've checked and we seem to be okay.

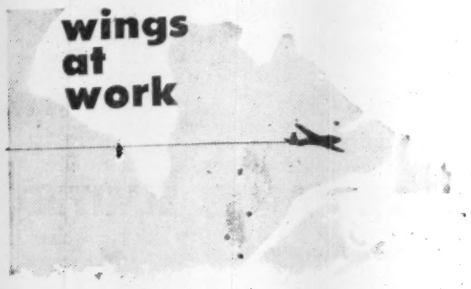
The forest manager is even more concerned about fire than the average business man. In our business when our inventory burns it takes anywhere from 50 to 100 years to replace stock, depending on tree species involved, and a low population density, only 3% of all forest fires resulted from logging. Settlers started about 12%, and campers and smokers started 40%. Over 50% of all fires were caused by the public who have much to learn about resource conservation and who have yet to understand that forest fires mean direct loss of income to Canada, to Ontario, and to themselves.

It has been said that conservation demands maximum utilization and minimum waste. A good deal of misinformation and some nonsense has been uttered and written about waste in connection with the pulp and paper industry. Some of what has been said is true, and where fault lies it should be corrected, but in the main there are few raw material consuming industries with better records in this aspect of conservation.

Waste Is Small

The main difficulty seems to be that theoretical conservationists define waste as anything that is not used, with the implication that the wastage is wanton, that the material is squandered, and that value has been destroyed. Industry defines waste as refuse

(Continued on page 70)



Rugged aircraft manned by experienced bush pilots have rolled back Northern horizons: On floats, wheels and skis, Wheeler Airlines, Canada's oldest existing air service, flies freight and personnel the year-round, as far as Hudson Bay, Labrador, Newfoundland, with Canso, Norseman, Beaver and other aircraft. Services also include mining exploration, photography, mapping, fire ranging, forest and crop spraying, hunting and fishing.

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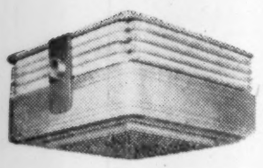

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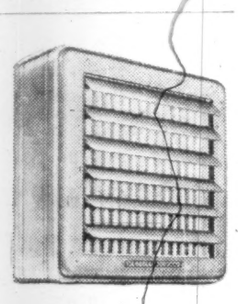

Venturafin Horizontal Unit Heater. Capacities: 18,000 to 357,500 BTU at 2 pounds steam pressure and 60F entering air

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Canadian Sirocco now brings you horizontal heaters that are truly quiet . . . vertical heaters with heat-flow control!

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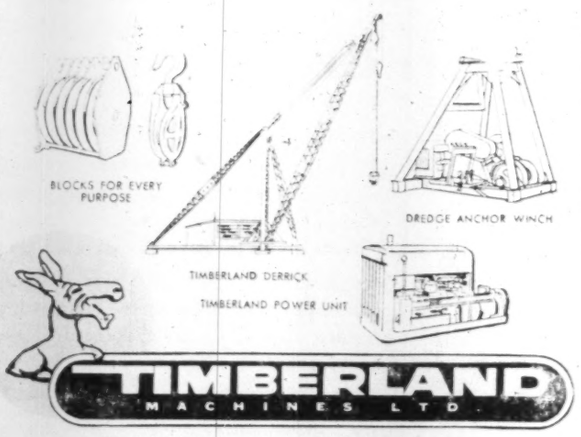

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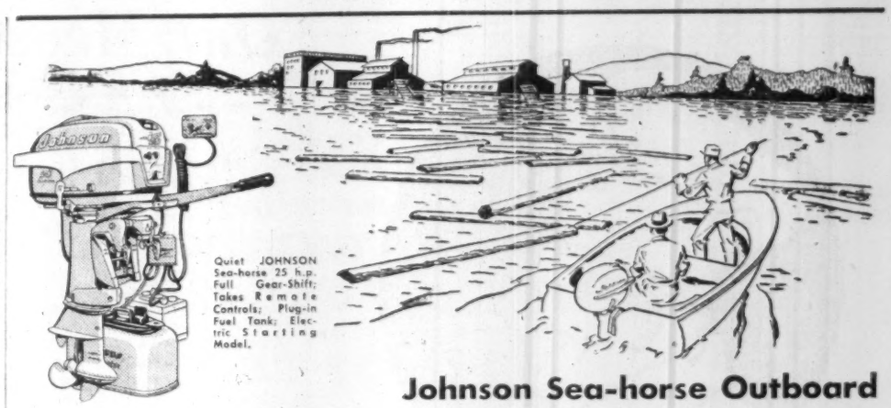

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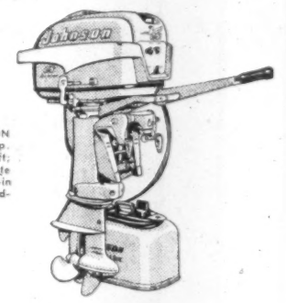

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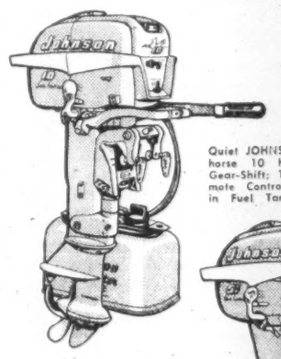
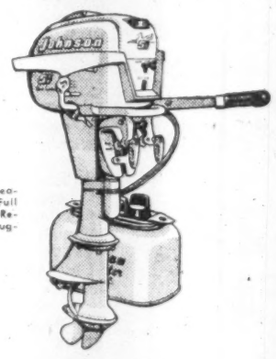


Quiet JOHNSON Sea-horse 10 h.p. Full Gear-Shift; Takes Remote Controls; Plug-in Fuel Tank.

Quiet JOHNSON Sea-horse 5½ h.p. Full Gear-Shift; Takes Remote Controls; Plug-in Fuel Tank.



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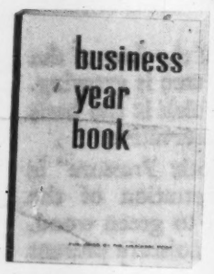

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BYB-97

Ont. Measures Forest Wealth

(Continued from page 61)

rate. Utilization of conifers is 49% of the allowable figure and only 2% of the hardwood cut is being exploited.

KAPUSKASING

Total area: 16,241 sq. miles. Productive forest lands occupy 10.3 million acres, 77% of the total area. Total timber resources of the area are 13 billion cu. ft., of which 67% is coniferous. Valuable black spruce makes up about two thirds of the conifer volume.

Annual allowable cut is 91 million cu. ft. of conifers and 86 million cu. ft. of hardwoods.

No species is being overcut at the present time. Spruce allowable cut of 66 million cu. ft. is 13 million ft. more than actual cut to provide a narrow balance to allow for losses due to fire and other hazards. There is a large unused surplus of poplar and white birch.

GERALDTON

Total area: 12,320 sq. miles. Productive forest land occupies 49% of the total area. Forests are predominantly mature, 57%, 23% is immature, 12% is young growth, and 8% is reproducing forest. Conifers form 57% of the total area, 30% is mixed woods, 5% is hardwood, and 8% is a reproducing forest.

Black spruce makes up 38% of the total volume, jack pine accounts for 13%.

The annual allowable cut is 60 million cu. ft.

The utilization of all species in the Geraldton area is currently less than the allowable cut. The cut of conifers is 47% of the allowable rate and only 6% of hardwoods are being utilized.

PORT ARTHUR

Total area: 16,893 sq. miles. Productive forest lands cover 73% of the total area. Forty per cent of the area is mature timber, 35% is immature, 15% is young growth, and 10% is reproducing forest. Of the total volume, 63% is coniferous and 37% is hardwood.

Annual allowable cut is 233 million cu. ft.

Spruce is being utilized at approximately the allowable rate but all other species have a margin for expansion in utilization. Only 4% of the allowable cut of hardwoods is being utilized.

ALGONQUIN

Total area: 5,213 sq. miles. Gross standing volume is 5.7 billion cubic feet, of which 13% is coniferous, 40% hardwood, 46% mixed wood. Of the total area, 24% is covered with mature forest, 66% is immature, and 10% is reproducing forest.

Annual allowable cut is 56 million cu. ft. This is made up of an allowable cut of 13 million cu. ft. of coniferous species and 43 million cu. ft. of hardwoods.

Maple and yellow birch form the bulk of the hardwood forests while white pine and white spruce form more than half of the allowable cut of conifers.

A comparison of the allowable cut on Crown lands with actual utilization indicates that if white and red pine are to be cut at the present rate of 4,859 thousand cu. ft. per year, then the existing mature timber will be exhausted within a few years. Maple and birch, however, are not being exploited at the allowable rate.

PARRY SOUND

Total area: 5,985 sq. miles. Productive forest land is composed of 57% hardwood, 34% mixed woods, 8% coniferous, and 1% reproducing forest. By age classes this area is 20% reproducing forest and regeneration area, 71% is immature forest and 9% is mature.

Total timber resources are 4.2 billion cu. ft. on Crown lands and 1.9 million cu. ft. on patented lands. Three quarters of this volume is composed of hardwoods.

Annual allowable cut is 9.9 million cu. ft. on Crown lands, 1.2 million cu. ft. of conifers and 8.7 million cu. ft. of hardwoods.

There is a heavy overcut of white and red pine, hemlock, spruce and balsam fir. Conifers were being cut at a rate approximately eight times the allowable cut but hardwoods were being utilized at only 77% of capacity.

WHITE RIVER

Total area: 6,837 sq. miles. Productive forest lands total 3.8 million acres, 88% of the district. Of the productive forest lands, 46% is mature, 39% is immature, and 15% is young growth and reproducing forest. Volume is 6 billion cu. ft., 56% of which is coniferous. Black spruce accounts for 25% of the total volume, white birch is 24%, poplar is 20%, jack pine is 13%, and white spruce is 9%.

Annual allowable cut is 101 million cu. ft.

A comparison of the allowable cut on Crown lands with the current actual utilization shows that only conifers were being utilized. Spruce and balsam fir were well utilized, jack pine shows a large surplus of allowable cut.

SUDBURY

Total area: 7,145 sq. miles. Productive forest land covers 3.5 million acres and this is made up of 57% mixed woods, 19% hardwoods, 16% conifers, and 8% reproducing forest. This area is 22% reproducing forest, 56% immature, and 22% mature. Total timber resources are some 4.5 billion cu. ft., 51% of which is coniferous and the remainder hardwoods.

Annual allowable cut on Crown lands is 58.1 million cu. ft.

A comparison of the annual allowable cut with the actual utilization on Crown lands shows a 20% overcut in jack pine and an undercut in all other species. The cut of conifers was 77% of the allowable rate and only 13% of the allowable hardwood rate.

SAULT STE. MARIE

Total area: 8,512 sq. miles. Productive forest lands cover 86%, of which 43% is mature growth, 35% is immature. Mixed woods predominate, occupying 44% of the productive area. Hardwoods occupy 31% and coniferous trees compose 11%. Volume of primary growing stock is 8.4 billion cu. ft.

The annual allowable cut is 126 million cu. ft., 80% of which is on Crown lands.

Crown lands allowable cut by species: 36% conifer, 64% hardwood. The conifer cut is composed of 32% spruce, 21% red and white pine, 20% jack pine, 14% balsam fir, 12% white cedar, and 1% other conifers.

Currently only hemlock is being overcut although red and white pine are being cut up to the allowable limit. All other species have a margin for expansion.

CHAPLEAU

Total area: 6,545 sq. miles. Productive forest lands occupy 3.3 million acres, 79% of the total area. Timber resources are 5.8 billion cu. ft., 59% of which is coniferous and the balance hardwoods. Jack pine is the most important species, 43% of the conifer stock. Black spruce is 30%.

Annual allowable cut is 89 million cu. ft.

One half of the allowable cut is coniferous and 98% of the balance is composed of poplar and white birch.

Only 25% of the coniferous allowable cut is being utilized and less than 1% of the hardwood cut is being taken out.

GOGAMA

Total area: 6,266 sq. miles. Productive forest lands occupy 86% of the total area and the age class distribution shows that 53% is mature, 31% immature. Mixed woods predominate, occupying 45% of the productive area. Coniferous trees compose 40% of the district's forests. Volume of growing stock is 5.2 billion cu. ft.

Jack pine is the principal conifer and white pine is second in importance. Together they account for 57% of the coniferous growth.

Annual allowable cut for Crown lands is 86 million cu. ft., of which 51% is coniferous.

Only 14% of the allowable cut is being utilized. This utilization is almost entirely confined to the softwood species for which 27% of the allowable cut is being utilized. Cutting of jack pine is 41% of the allowable rate, black and white spruce is 16% of the rate.

FORT FRANCES

Total area: 7,015 sq. miles. Productive forest lands occupy some 3 million acres, 68% of the total area. Timber resources are more than 4 billion cu. ft., 61% coniferous and the balance hardwoods. Jack pine and black spruce are the principal coniferous species.

Annual allowable cut for conifers on Crown lands is 49 million cu. ft. Poplar allowable cut is 41 million cu. ft.

Actual cut of conifers is 12 million cu. ft., 24% of the allowable rate. Only 6% of the allowable rate for hardwood species is being utilized.

KENORA DISTRICT

Total area: 12,145 sq. miles. Productive forest lands cover 67% of the area. It is 96% Crown owned. Age class distribution shows 42% mature growth, 14% young growth, 42% immature, and 2% reproducing forest. Volume of primary growing stock is 7 billion cu. ft.

Annual allowable cut from Crown lands is 135 million cu. ft., 51% of which is coniferous.

Only 25% of the over-all coniferous yield is being cut and less than 1% of hardwoods is being taken out. Of the wood utilized annually, jack pine comprises 47% and spruce 46%.

SIOUX LOOKOUT

Total area: 23,526 sq. miles. Productive forest lands cover 75% of the total area. More than 99% is Crown land. Age class distribution shows that 46% is mature, 39% immature, and 12% is young growth. Conifers occupy 68% of the forest area, mixed woods cover 25% and hardwoods grow on 3% of the area. Reproducing forest covers the remaining 4%.

Volume of primary growing stock on Crown lands is 17.1 billion cu. ft., composed 75% of conifers.

Annual allowable cut is 286 million cu. ft., 64% of which is coniferous.

Only 17% of the coniferous allowable cut is being utilized and less than 1% of the hardwood growth is being taken. Of the wood utilized annually, white and black spruce comprised 68% and jack pine 28%. These species form 96% of the entire actual cut. However, only 27% of the allowable cut for spruce and only 10% of the allowable cut for jack pine was utilized.

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The great forests are the visible symbols of Canada's vast natural resources and by the wise development of these forests the pulp and paper industry plays its part in the economic growth of Canada.

From the Bowater mills at Corner Brook, Newfoundland, 1000 tons of newsprint flow, every day, to destinations as distant as Houston, Texas and Sydney, Australia. And across the Atlantic flow raw materials for the Bowater mills in the United Kingdom.

For purposes as varied as the places to which they are sent go the products of the Canadian forests: Pulpwood, pulp and paper from the oldest land on earth serving the needs of industry and trade in the wide busy world of today.

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Industry Puts More Faith In Research

Pulp and Paper Research Institute Budgets $1 Million Yearly

"A scientific breakthrpugh is the rare exception," a prominent Canadian research expert said recently. "The great strides of science are more commonly made by a series of mincing little steps."

In the pulp and paper industry, these small advances are gradually measuring up to increased savings in money, time and effort in operations. The minor achievements in the laboratories yesterday have become the basis for more efficient work in the woodlands and the mills today.

Meanwhile, researchers continue in their quiet, painstaking, undramatic, thorough way, to find the new, the revolutionary and achieve the ultimate goal of a "scientific breakthrough." But they are well aware that the average period between fundamental findings and successful commercial application is commonly seven years.

In Canadian laboratories, scientists are probing the countless problems and probabilities of a myriad of operations in the pulp and paper industry. They are studying hundreds of projects involving everything from seeds to manufacturing, harvesting of wood to recovery of waste byproducts.

At the same time, there is a growing recognition on the part of industry of their vital contribution to the future. It has meant larger budgets for research, increased co-operation from industry.

At the Pulp & Paper Research Institute of Canada, 136 people work on scores of such problems with an annual budget of nearly $1 million. Among the many fields of research is the wood grinding operation.

A very fundamental study of the efficiency and nature of this process has been launched this year. It is important because the pulp produced in the grinding operation goes into newsprint. At present, nearly 60% of Canada's entire pulp output is made simply by pushing logs against revolving stones.

The Institute has been examining the previous work on this problem for some time. A new experimental study will begin later this year when Dr. Douglas Atack, an institute researcher, returns from England.

He has been studying with a professor at Cambridge University who is considered to be the most knowledgeable man regarding the nature of the action when various materials are rubbed against one another.

River Location

At present, wood is ground up in great grinders requiring a tremendous amount of power and as a result mills have to be located close to rivers which provide this power. Yet, in the grinding process most of the energy required is given off as heat. This means the process is very inefficient.

The experience Atack has gained in England will provide him with a thorough orientation to the subject. The objective of his work will be to find a more efficient way to carry out the process. Efficiency is now rated at a meagre 1%.

Another aspect of his work will be to find out if the grinding operation can also be improved to get longer and stronger fibres. It is known that the grinding operation damages the fibres, hence weakens the pulp.

In chemical pulping, longer chemical fibres are produced and result in higher-cost material. When pulled through a high-speed machine, a wet web of pulp containing some percentage of such fibres does not break as easily as one made entirely from mechanical pulp. So, Atack will be trying to find ways to get longer fibres in the mechanical process. Or, he may find some new and better method than grinding for doing that.

It doesn't mean that if he's successful the newsprint industry will suddenly scrap their huge machines, their large grinders. The capital investment is too high. However, the industry and the institute must constantly be endeavoring to find ways and means of utilizing existing equipment most effectively.

The likelihood is that if the research is successful, existing equipment won't be changed very much. The effects of revolutionary new methods will be seen in new enlargements of existing mills or construction of new mills where equipment modeled along the new lines would be installed.

This work illustrates one of the general objectives of the Institute: to find new ways, methods, shortcuts, smaller equipment to cut capital costs and achieve the same ends as with larger machines and higher costs.

Another important research work under way is in the field of papermaking. A new instrument has been developed and is being tested to measure the "formation" of a sheet of paper, to examine the distribution of fibre.

This distribution is important because of its effect on printing. If an ad agency pays out money for a model, a photographer and for space in the newspaper it doesn't want the model reproduced with a blot on her nose, spoiling the effect of the ad.

So electronic equipment has been developed to scan a sheet of paper to measure the distribution of the fibre content. At present, in mills this is done by the human eye.

The equipment is not yet ready for mill use. It is still in the development stage. But the Institute is moving in the direction of substituting electronics for the human eye, moving away from the subjective and qualitative judgment to a quantitative one.

However, the fact that the casual reader is not usually aware of the "flocculation of fibres," which causes poor paper formation, indicates the industry is turning out a rather uniform product.

Over the years, the Institute has made some significant contributions. A few years ago, for example, it developed the "Chapman Smoothness Tester." This is equipment for measuring one very important surface characteristic of paper and paper products. It is now being used in several mills on this continent, in a research lab in England, and it will be manufactured in France and Germany for the European market.

Another device quite widely used is an electronic dirt counter for newsprint. This device counts the number of flecks of dirt on a sheet of paper which could become the blotch on the model's nose.

In the field of chemical pulping, the Institute is continuing vigorous studies to improve existing conventional pulping technology. One highly important aspect of this work is trying to obtain more useful wood fibre per cord of wood consumed, i.e. high yield pulping.

Chemical pulp is made from wood chips. These are dumped into large steel kettles called digesters, then cooked in chemicals. If a way could be found to cook so that a larger percentage of the chemicals in original wood material are retained in fibre form it would result in great savings.

Increase Production

At present, only about 40% to 50% of the wood comes out as useful fibre. Even a small increase in this would result in more production of pulp per ton of wood. That would mean cutting less wood, ability to cut nearer the mill, savings in transportation and logging expenses and greater utilization of the forests.

Consequently many companies have been interested in high yield sulphite pulping. The industry has invested some $500,000 for research at the Institute in this field over the past four or five years.

This has produced methods to improve operations and at least one major company has taken these results and with its own research department applied them to its own operations. They are now getting a yield of more than 60%, or upwards of 15% improvement. Multiplied over a year, that means savings of a lot of wood and money. It also demonstrates how the work of the Institute can be translated into day-to-day operations by the technical people of an alert and progressive company.

While making these studies, a way was also found to measure the pH, the acidity or alkalinity of a liquid solution, in a digester. It enables measurement of a solution at high temperature and pressure continuously within a closed vessel.

In the past, it has been common to take a sample and measure it at room temperature and pressure, then to use a formula to determine what might have been going on at the high temperature and pressure in the vessel.

The importance of this development is that when wood is subjected to the influence of a liquid containing alkali, wood acids may form and change concentration of the solution toward the acid side. By direct measurement of the pH one can now tell much more accurately what is happening at all stages of the cook.

This should have wide application beyond the pulp and paper industry. It should be useful in industries like chemicals and petroleum, where chemical liquids are being processed inside closed containers under high temperature and pressure.

In order to get this Institute-developed pH electrode introduced and available on a commercial basis, the patent rights were sold to Canadian Aviation Electronics Ltd. of Montreal. That company is preparing to manufacture and market the pH reference electrode and the necessary associated electronic equipment this fall. Five have already been ordered by the U. S. Oak Ridge atomic plant, and companies all over the world have expressed an interest.

Studies are also continuing on pulping of small subdivisions or wafers of wood. These are smaller than chips and have been found to yield excellent grades of chemical pulp.

In chemical pulping, the cumbersome batch process is still the rule. But this new type of wood subdivision could eventually lead to high-speed, continuous chemical pulping.

The big problem now is in the mechanical design of equipment to handle the wafers. They would mean major savings in labor, materials and capital costs.

That's why the Institute is looking for the best way to handle these wafers at high speed in continuous flow. The wafers probably couldn't be handled in today's big, batch digesters. They'd mat like a mass of wet sheets of paper, which would interfere with circulation of chemicals and with heat transfer.

Under ideal conditions the cooking operation may happen so fast that pulp might be produced in a chemical-filled pipe — wood fed in one end and pulp taken out at the other.

Handling Wafers

In test tubes, ideal conditions can be found for handling these wafers. The problem of translating this into handling tons of material per hour is serious.

But there is no doubt that wafers hold many advantages over chips. They penetrate more easily than chips. Less chemical and heat are needed and therefore operating costs can be reduced sharply. They produce better and more uniform pulp because the wood fibres need not be exposed to chemicals for as long and the cellulose fibres do not lose some of their substance through degradation. That can result in increased yield and better quality.

Wafers are produced in bulk volume. The problem here is how to handle wafers economically and efficiently without damage to strength of the fibre. What is the way? That isn't known yet on a commercial scale.

There have been a number of types of equipment introduced into the industry in recent years for continuous pulping of wood chips but none has been found to be ideal. Some scientists are firmly convinced that continuous chemical pulping will eventually replace batch methods.

They argue that it is logical. They point to the chemical industry where in petroleum operations, for example, there is continuous flow. They say it is not modern to have batch operations.

The Institute is also exploring the possibilities of applying technology to the pulp and paper industry which has been successful in other industries. One example is that of the fluo-solid technique which is well known to chemical engineers.

It involves this principle: if a small particle of a solid (subdivided wood, limestone, etc.) is suspended in air or gaseous medium in a certain way, it will produce a continuous turbulence and the mass of solid and gas behaves like a liquid.

In the chemical field it is important because the finely subdivided material exposes a very high surface to chemical action or heat transfer, etc. speeding up the reaction.

The Institute has been studying the fundamentals of fluo-solid suspensions of wood materials and also the behavior of atomized liquid droplets in streams of gas. The outcome has been the development of a new technique called "atomized suspension technique," for which patents are pending in several countries.

In the pulp and paper industry it may have application in processing of waste liquors, eliminating conventional spray drying equipment which is exceedingly costly.

An idea of the great diversity of the Institute's work comes from its work in the field of photography. It has developed a process in color photography which has been on the confidential list for some time to give supporting companies an advantage in its use.

Its particular application is in the field of photomicrography. Using the technique, it is possible to have a finished colored print within less than an hour from the time the shutter is snapped. That's compared with three to 15 hours in the present film industry.

Cost Factor

Even more important perhaps is the cost factor. A print will cost about 50 cents compared with perhaps $3 or up under the present methods. The technique also is so simple that it can be done in the average darkroom.

It will have wide application where time is a major factor. For example, it could influence operations in the medical field.

Another problem which the Institute continues to study is that of pulpwood holding grounds which are built in rivers, lakes and estuaries to contain the logs until they are ready for use in the mill.

Institute hydraulic engineers have been studying the complexes of forces involved in these holding grounds. From analysis of these, they are trying to find improved designs for piers, cables and booms. They are measuring accurately for the first time the variety of forces involved — the wind direction, stream velocity, strength of piers and cables, tidal forces, currents, and so on.

They work with scale models to simulate field conditions and are constantly translating their findings to the field, and from the field to the hydraulic model laboratory. Several companies which have designed new holding grounds during the past year are applying their findings. They realize that when a cable snaps or a pier crumples, the stake may be millions of dollars in logs which are swept downstream. Hence, they are constantly asking: what is the factor of safety? The work will continue for another four years but it's the kind of fundamental research which pays off.

Another study, now in its third year, concerns biting flies and mosquitos in the bush. In co-operation with Federal Government entomologists and several companies, Institute researchers have been studying insect repellants and protective clothing, and methods of spraying larvicide.

It is expected that a handbook will be issued next spring to outline the findings on control of biting insects in pulpwood operations. The objective has been to try to improve conditions in summer in the woods where life is made almost unbearable by these pests.

If a solution can be found, it would mean a possible switch from winter operations only to year-round operations in many Eastern forests which traditionally operate in winter. The result: greater stability of labor force, greater economies in woods operations, better distribution of wood inventories, ability to use

(Continued on page 72)

ANGLO-CANADIAN

PULP AND PAPER MILLS, LIMITED

MANUFACTURERS OF

NEWSPRINT PAPER
UNBLEACHED SULPHITE
AND
PAPER BOARD

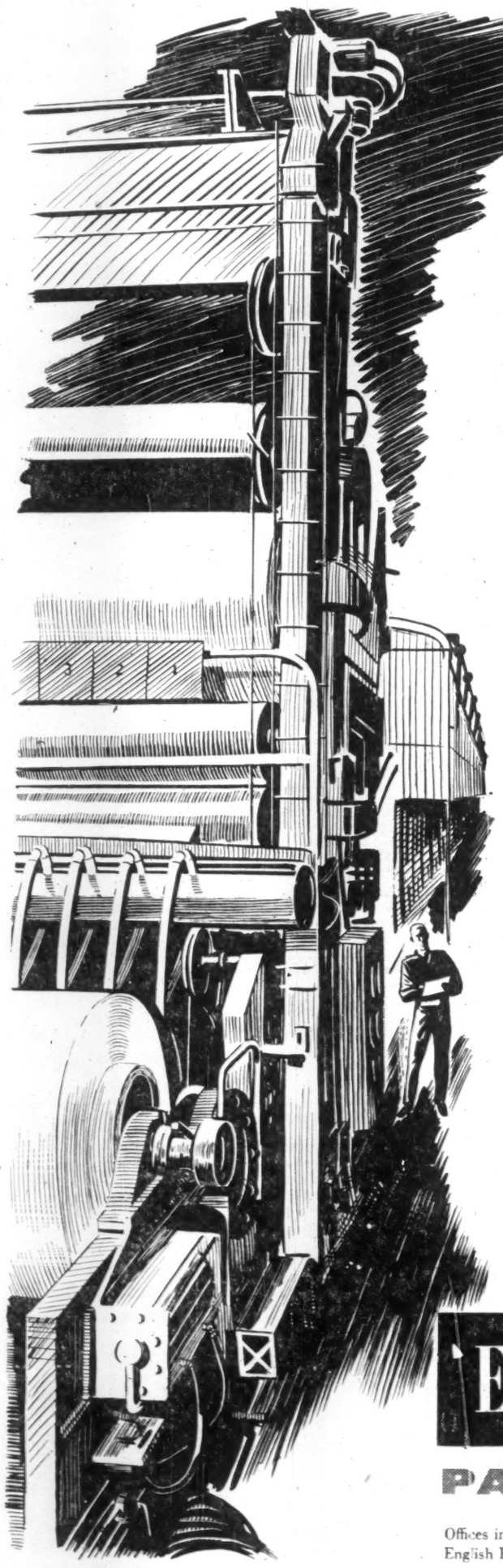
DAILY CAPACITY 775 TONS NEWSPRINT,
225 TONS UNBLEACHED SULPHITE PULP
AND 80 TONS PAPER BOARD

Owns timber limits on Bersimis, Sault-au-Cochon, and Montmorency Rivers, Quebec; owns and operates mill at Quebec City containing four large newsprint machines, two sulphite pulp drying machines and a cylinder board machine.

OFFICES AT QUEBEC CITY

Direct Communication With Both Canadian Railways

PRIVATELY OWNED WHARF AT TIDEWATER

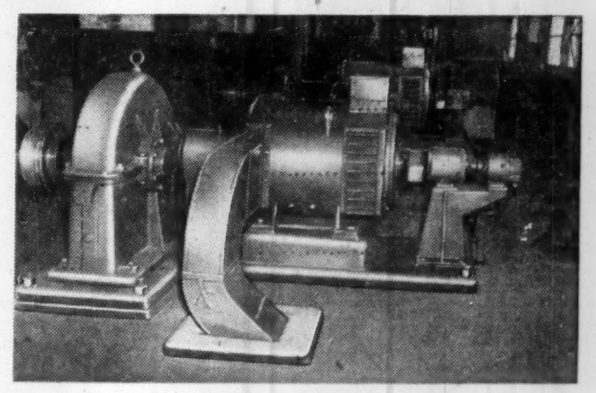


Fast accurate control of sectional drives means maximum continuous paper production...

Today's fast moving continuous paper making process demands, above all things, accurate and immediate control of many large and intricate pieces of equipment. This applies especially to the individual section drives of giant paper making machines, where reliable machine adjustment is essential to maintaining maximum high speed production with no sacrifice in quality.

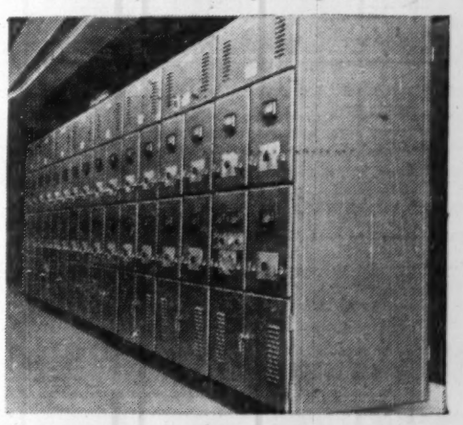
English Electric paper machine drives provide this high accuracy and control. Its precision A.C. tacho-generator and magnetic amplifiers system preserves the necessary speed and accuracy of the individual sections.

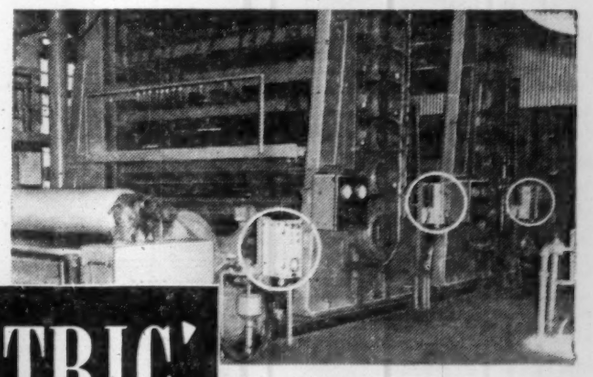
The English Electric system is already successfully operating in Canada at the St. Lawrence Corporation at East Angus, P.Q. and is a fine example of dependable electrical equipment for the paper making industry.



View of 1st Dryer Section Driving Unit at the St. Lawrence Paper Corporation, East Angus, P.Q., showing H.F. A.C. controlling tacho-generator and the machine speed indicating tacho-generator.

General view of the electronic cubicle.





View showing the section control stations on the reel and calenders of the paper machine.

For further information please contact the Head Office, St. Catharines, Ontario, or any district office.

'ENGLISH ELECTRIC'

PAPER MACHINE DRIVES

Offices in Halifax, Montreal, Ottawa, Toronto, Winnipeg, Calgary, Edmonton, Vancouver
English Electric Company of Canada Limited. Head Office and Factory: St. Catharines, Ontario

PA5548

The Financial Post Statistical Record of Major Pulp and Paper Companies

Newsprint Group

Company	Year	Wood Resources Cords or Sq. Miles	Mill Capacity Annual Tons	Funded Debt $	Net Earn. $	Deprec. $	Times Int. Earned After Deprec. No.	Income Taxes $	Net Profit $	Earnings per Share Pref. $	Earnings per Share Com. $	Dividends Paid or Pay. Pref. $	Dividends Paid or Pay. Com. $	Surplus for Year $	Working Capital $	DIRECTORS
ABITIBI POWER & PAPER§	†1954	25,000	760,402	41,331,700	31,298,601	♦6,793,698	17.29	12,403,000	10,625,901	°17.65	2.49	‡0.46⅞	1.20	4,961,385	39,099,197	D. W. Ambridge, pres. and gen. mgr.; W. H. Smith, vice-pres.; Allan Graydon, C. L. Gundy, J. S. D. Tory, E. W. Bickle, Toronto; R. H. Reid, London, Ont.; H. J. Carmichael, St. Catharines; T. R. McLagan, Hon. Edouard Asselin, Montreal; J. P. Ripley, New York. Vice-pres.—R. J. Askin, C. B. Davis, A. P. Jewett. Treas.—W. S. Rothwell. Sec.—L. B. Popham.
	†1953	sq. mi.	.....	35,331,500	29,430,131	♦6,532,298	16.37	11,385,000	10,044,152	9.56	2.27	1.50	1.05	4,557,192	31,197,679	
†Consolidated. °Based on securities outstanding at Dec. 31, 1953; not including new financing approved May 25, 1954. °New 4½% pref. ‡In addition, co. paid 87½c per sh. on old pref.																
ANGLO-CANADIAN PULP & PAPER§	†1954	9,558	397,000	8,225,000	13,280,330	♦3,516,917	37.60	4,850,164	°4,651,474	29.07	3.32	2.80	2.00	1,675,582	15,743,871	R. C. McMichael, chm., Montreal; E. M. Little, pres.; W. E. Soles, vice-pres. & gen. mgr.; H. D. Ruthman, sec.; Quebec, P.Q.; W. H. Howard, Westmount, P.Q.; The Viscount Rothermere, C. H. King, A. S. Fuller, P. G. Walker, London, Eng.; James Cooke, Woddingham, Eng.; J. F. E. Coope, Kingswood, Eng.; E. L. Goodall, Port Arthur, Ont. Treas.—C. H. Smith.
	†1953	sq. mi.	.....	4,477,000	9,783,369	♦2,715,270	101.43	3,520,494	°3,326,506	20.79	2.54	‡0.70	2.00	1,008,784	15,033,282	
†Consolidated, including accounts of Dryden Paper Co. Ltd. 3 mos. only in 1953. °Not including prof. on disp. of assets amounting to $17,311 in 1954 and $173,817 in 1953; including prof. of Dryden Paper Co. Ltd. for ‡One quarterly payment.																
ANGLO-NEWFOUNDLAND DEV. CO.•	†1954	7,456	230,000	.....	8,264,610	♦2,373,694	....	2,259,400	3,631,516	....	0.66	....	0.60	332,467	19,519,167	W. H. Howard, chm., Montreal; E. M. Little, pres., Quebec, P.Q.; Philip Gruchy, first vice-pres.; J. S. Goodyear, vice-pres. and sec.-treas.; Grand Falls, Nfld.; R. C. McMichael, B. C. Gardner, Montreal; The Viscount Rothermere, A. S. Fuller, The Earl of Cromer, London, Eng.; E. A. Sursham, Markyate, Herts, Eng.; Grenville Beckett, Redhill, Surrey, Eng. Asst. to pres.—J. E. Manuel. Gen. mgr.—T. R. Moore.
	†1953	sq. mi.	.....	.....	7,619,177	♦2,354,784	....	2,328,407	2,935,986	....	0.53	....	0.60	d363,063	19,133,658	
†Consolidated statements.																
BOWATER'S-NEWFOUNDLAND•	†1954	11,230	300,000	18,146,567	14,333,743	3,362,336	13.84	4,580,000	5,580,531	2.23	0.80	4½%	‡12½%	3,001,812	25,641,074	Sir Eric V. Bowater, pres., London, Eng.; G. S. Currie, chm., Montreal; H. M. S. Lewin, vice-pres. & gen. mgr., Corner Brook, Nfld.; A. B. Meyer, vice-pres., Greenwich, Conn.; G. H. Carson, Corner Brook, Nfld.; C. G. Heward, Montreal; W. A. Reid, Hon. L. R. Curtis, G. A. Winter, St. John's, Nfld.; Sir John Keeling, London, Eng.; A. Brackenbridge, New York. Sec.-treas.—F. G. Huck.
	*1953	sq. mi.	.....	18,789,868	10,777,392	♦3,137,065	11.78	3,550,000	3,441,605	1.38	0.57	4½%	8%	1,925,435	25,231,419	
Controlled by The Bowater Corp. of North America Ltd. *Year ended Sept. 30. †Year ended Dec. 31. ‡Fifteen months.																
CONSOLIDATED PAPER§	1954	17,641	765,996	.....	30,177,062	♦5,156,405	118.08	13,000,000	11,848,327	....	4.62	....	1.50+0.75	6,074,416	52,105,016	L. J. Belnap°, chm.; G. M. Hobart°, pres.; Francois Faure, vice-pres. t/c woodlands; N. J. Dawes°, W. H. Howard, G. M. Todd, R. H. McMaster°, C. F. Sise, Hon. C. A. Dunning°; Montreal; H. D. L. Gordon, Toronto. Vice-pres. & compt.—George Henderson. Vice-pres. t/c mfg.—Richard Collins. Sec.—G. W. Hodgson. Treas.—D. L. Adams. °Member exec. comm.
	1953	sq. mi.	.....	*7,391,500	28,130,049	♦5,038,608	69.61	11,800,000	10,982,104	....	4.28	....	1.50+0.75	5,208,240	50,347,805	
*After deducting bond sinking fund payment due Mar. 1 following year.																
CROWN ZELLERBACH CANADA	*1954	432	87,000	.....	9,622,878	2,239,101	....	3,696,462	3,893,240	194.77	5.03	6.00	2.00	2,273,306	10,287,166	F. N. Youngman°, chm.; P. E. Cooper°, pres.; J. A. Young°, 1st vice-pres.; H. C. Pim°, vice-pres.; R. D. Baker, F. B. Brown, R. J. Filberg, Hon. E. W. Hamber, M. D. Hamilton, J. H. Lawson, Sherwood Lett, W. E. Wintemute. Vice-pres.'s—O. D. Hallin and R. R. Edwards. Treas.—G. J. C. Hodson. Sec.—O. F. Lundell. Gen. mgr.—F. W. Thornhill. °Member exec. comm.
	*1953	sq. mi.	.....	.....	8,347,125	2,087,431	....	3,212,245	3,120,344	156.10	4.00	6.00	2.00	1,500,410	8,790,904	
*Latest available figures. Name changed from Pacific Mills Ltd. on Apr. 22, 1954; 93% of common stock owned by Crown Zellerbach of United States.																
DONNACONA PAPER•▪	1954	1,721	105,000	4,940,000	3,714,889	♦1,054,406	14.53	1,230,684	1,243,995	....	3.28	....	1.00	864,463	6,010,693	Harold Crabtree, chm., Montreal; L. W. Michael, pres. & treas.; L. A. Palmer, vice-pres. & mill mgr., Donnacona, P.Q.; E. Howard Smith, vice-pres.; Hon. G. B. Foster, H. R. Crabtree, Montreal; J. Edouard Simard, Sorel, P.Q.; R. P. Kernan, Quebec, P.Q.; Aubrey Crabtree, Edmundston, N.B.; A. J. Philip, Windsor Mills, P.Q. Sec.—P. L. Fitzgerald.
	1953	sq. mi.	.....	5,135,000	3,292,315	♦951,065	12.32	1,060,748	1,087,874	....	2.87	....	1.00	708,342	5,485,021	
Note—97% of outstanding shares owned by Howard Smith Paper Mills Ltd.																
DONOHUE BROS.▪	1954	557	65,700	2,810,000	2,045,856	♦337,209	11.79	772,099	791,590	....	2.64	....	1.20+0.20	371,590	4,025,238	Chas. Donohue, chm.; G. T. Donohue, pres.; Mark Donohue, vice-pres.; A. E. Beauvais, sec.; Paul M. A. Simard, asst. to pres.; L. J. A. Amyot, Quebec, P.Q.; J. D. Coffin, New York.
	1953	sq. mi.	.....	3,040,000	1,920,826	♦350,895	10.08	696,949	717,219	....	2.39	....	1.20	357,219	3,640,780	
GREAT LAKES PAPER•	‡1954	4,200	154,616	2,721,000	7,305,523	♦1,103,204	54.49	2,972,057	3,143,011	‡31.43	2.45	A & B †1.20	1.60	1,021,617	8,863,433	C. J. Warwick Fox, pres. & gen. mgr.; W. C. Cochrane, vice-pres., Toronto; P. M. Fox, chm. exec. comm., Ross Clarkson, Montreal; Hon. W. E. Rowe, R. G. Meech, Col. M. C. G. Meighen, C. B. McDowell, Toronto; Hon. Ray Lawson, New York; C. P. Slane, Peoria, Ill.
	‡1953	sq. mi.	.....	3,141,000	7,347,035	♦1,291,001	46.69	2,953,225	2,973,088	17.95	2.24		1.60	768,993	11,271,704	
‡Consolidated statement. °All outstanding class A pref. called for redemption June 30, 1954, at $52.50 per share. Paid $1.25 per cl. A sh. in 1954, $2.50 per cl. A sh. in 1953; $1.20 per cl. B sh in 1953. †Cl. B only.																
JAMES MACLAREN CO.▪	1954	2,600	105,000	.....	4,921,197	517,769	....	2,024,900	2,378,528	....	....	....	....	.....	.....	A. Barnet Maclaren, pres., Ottawa; A. Roy MacLaren, vice-pres.; J. W. Thomson, sec.; Buckingham, P.Q.; C. H. MacLaren, Ottawa.
	‡1953	sq. mi.	.....	.....	4,939,698	757,407	....	2,009,700	2,172,591	....	....	....	....	.....	.....	
Wholly owned by Maclaren Power & Paper Co.																
MERSEY PAPER CO.•	1954	900	138,000	400,000	♦6,503,087	556,598	‡311.19	2,869,489	3,058,331	49.25	13.85	5.00	1.00	2,547,012	6,602,555	B. J. Waters, pres. & gen. mgr.; J. H. M. Jones and R. L. Seaborne, vice-pres.'s, Liverpool, N.S.; George Killam, Yarmouth, N.S.; J. C. MacKeen, Halifax, N.S. Sec. & treas.—J. A. Parker.
	1953	sq. mi.	.....	600,000	♦5,855,740	590,455	‡111.83	2,534,956	2,683,181	42.63	11.94	5.00	†1.00	2,168,958	4,239,743	
•Consolidated. ♦After depletion. ‡All interest. †In addition, stock divd. of one 5% pref. sh. for each 33⅓ common shs. was paid July 1, 1953.																
MINNESOTA & ONTARIO PAPER§	*†1954	10,000	213,000	5,000,000	15,282,303	♦2,966,133	51.32	6,008,600	6,067,570	....	4.72	....	2.10	3,365,449	20,606,464	J. B. Faegre°, pres.; C. T. McMurray°, sr. vice-pres.; Robert Faegre°, exec. vice-pres., Minneapolis; T. L. Daniels°, St. Paul; C. T. Jaffray°, H. W. Sweatt°, D. F. Bull°, Minneapolis; Serge Semenenko, Boston; C. S. Garland, Baltimore, Md.; C. G. Cockshutt, Brantford, Ont.; R. S. Waldie°, Toronto. Vice-pres.'s—C. Larson, P. A. Mahony, Sec. & treas.—H. A. Hull. Compt.—E. A. Johnston. °Member executive committee.
	†1953	sq. mi.	.....	6,000,000	15,098,204	♦2,877,846	50.92	6,293,000	5,687,358	....	4.42	....	2.00	3,113,992	19,647,072	
†Consolidated. *Not including new financing in March, 1955.																
POWELL RIVER§	‡1954	740	393,000	.....	27,102,560	♦4,497,038	....	11,325,000	†11,258,311	....	2.68	....	1.00+0.60	4,038,311	15,983,058	H. S. Foley, chm.; M. J. Foley, pres.; G. W. O'Brien, vice-pres.; J. H. Lawson, sec.; A. H. Williamson, W. S. Brooks, Col. Hon. C. Wallace, Maj.-Gen. H. F. G. Letson; Vancouver; Conley Brooks, Anson Brooks, Minneapolis, Minn.; R. H. Scanlon, San Francisco; J. G. Sample, Chicago. Vice-pres.'s—I. H. Andrews, J. E. Leirsch, J. A. Kyles. Vice-pres. & res. mgr.—R. M. Cooper. Compt. —H. J. Burns.
	‡1953	sq. mi.	.....	.....	23,534,166	♦4,179,773	....	9,510,000	†9,726,308	....	2.32	....	1.00+0.45	3,136,308	11,073,820	
‡Consolidated. †Including profit on sale of fixed assets and securities amounting to $132,428 in 1954; $18,018 in 1953. Before deducting contng. res. of $300,000.																
PRICE BROS. & CO.§	‡1954	7,696	470,000	6,390,500	18,350,246	♦2,933,000	75.10	6,925,000	8,075,890	161.52	3.59	4.00	2.00	3,493,034	39,123,279	H. J. Symington, chm., Montreal; A. C. Price, pres., Quebec, P.Q.; A. A. Aitkin, vice-pres.; J. D. Johnson, W. A. Arbuckle, A. S. Gordon; Montreal; M. R. Kane, A. C. Picard, A. C. M. Thomson, Guy Hudon, Quebec, P.Q.; Sir Keith Price, London, Eng. Exec. vice-pres.—Hector Cimon. Vice-pres. t/c woodlands—M. V. Cain. Vice-pres. & treas.—P. W. Sims. Vice-pres. t/c mfg.—Joseph Edwards. Sec.—Fabre Surveyer.
	‡1953	sq. mi.	.....	6,617,500	15,985,702	♦3,260,000	60.63	6,025,000	6,068,532	121.37	2.68	4.00	2.00	1,485,676	30,193,645	
‡Consolidated.																
ST. LAWRENCE CORP.§	‡1954	9,091	377,000	29,238,212	16,246,004	♦4,156,984	7.07	4,494,838	4,451,038	....	4.04	....	2.00	2,245,608	17,220,224	M. W. McCutcheon, chm., Toronto; P. M. Fox, pres.; N. A. Timmins, Jr., vice-pres.; Hon. Edouard Asselin, A. K. Cameron, A. H. Campbell, J. E. L. Duquet, H. C. Flood, Hon. G. B. Foster, J. I. Rankin; Montreal; J. A. McDougald, E. P. Taylor, Toronto; Hugh Mackay, Rothesay, N.B.; D. J. Sails, Sherbrooke, P.Q.; Nathan Pitcairn, Philadelphia, Pa.; Arthur Ross, New York. Vice-pres. & gen. mgr.—S. E. Williams. Vice-pres.'s—E. P. Wilson, J. W. Fries. Compt. & treas.—L. A. Tucker. Sec.—J. E. Martin.
	‡1953	sq. mi.	.....	30,661,003	16,081,183	♦3,803,636	8.14	5,475,989	5,228,641	....	4.74	....	2.00	3,023,211	20,843,823	
‡Consolidated statement.																

♦Including depletion. dDeficit. ▪Also produces sulphite pulp. §Also produces pulp, kraft or other wood products. ▪Also produces groundwood pulp. °Also produces paper & misc. products.

Fine and Specialty Paper Group

Company	Year	Wood Resources Cords or Sq. Miles	Mill Capacity Annual Tons	Funded Debt $	Net Earn. $	Deprec. $	Times Int. Earned After Deprec. No.	Income Taxes $	Net Profit $	Earnings per Share Pref. $	Earnings per Share Com. $	Dividends Paid or Pay. Pref. $	Dividends Paid or Pay. Com. $	Surplus for Year $	Working Capital $	DIRECTORS
EDDY PAPER CO.§	†1954	5,800	150,000	‡10,741,500	4,858,588	♦1,674,616	7.47	1,344,549	‡321,652	6.61	5.61	1.00	nil	1,121,652	6,406,332	W Garfield Weston, chm.; R. A. Robertson, vice-chm., Toronto; R. A. Irwin, pres. & man. dir., London; W. D. Moffatt, vice-pres., Ottawa; J. F. Taylor, vice-pres., C. L. Gundy, Toronto; R. F. Caldwell, sec. & treas.; D. G. Currie, Ottawa; J. A. Craig, Victoria, B.C. Vice-pres.—J. W. Paterson.
	1953	sq. mi.	.....	‡8,991,224	3,807,914	♦1,686,511	5.29	858,448	862,161	4.31	3.31	1.00	nil	662,161	6,854,716	
†Includes accounts of partly owned subsid., Sidney Roofing & Paper Co. Ltd. and its wholly owned subsids.; not including new financing offered in May, 1955. ‡Funded debt of subsids.																
ROLLAND PAPER	1954	.....	33,000	1,225,000	1,524,816	295,171	24.42	615,000	564,286	33.19	8.20	4.25	1.00+0.35	411,035	2,466,456	L. G. Rolland, pres. & gen. mgr., St. Jerome, P.Q.; J. A. Weldon, vice-pres. (finance); R. H. Ecclestone, vice-pres. & sales dir.; Montreal; Marc Rolland, vice-pres. & mills mgr., St. Jerome, P.Q.; Olivier Rolland, Alderic Laurendeau, Albert Rolland, Montreal; Hugh Mackay, Rothesay, N.B.; J. Y. Murdoch, K. S. Maclachlan; Toronto. Treas.—H. A. Leblanc. Sec.—J. P. Lefebvre.
	†1953	.....	.....	1,300,000	1,422,594	276,654	21.72	540,000	553,100	32.54	8.02	4.25	1.00+0.25	405,939	2,171,041	
HOWARD SMITH PAPER§	†1954	5,000	‡280,000	19,021,000	15,571,034	♦4,680,025	15.43	5,110,000	5,020,256	31.38	2.70	2.00	1.00	2,957,506	21,972,824	Harold Crabtree, chm.; E. Howard Smith, pres.; E. K. Robinson, exec. vice-pres.; G. H. Tomlinson, vice-pres.; G. W. Bourke, de Gaspé Beaubien, W. A. Arbuckle, Howard Murray, J. D. Johnson, Col. R. D. Harkness, W. H. Howard, H. Roy Crabtree, D. S. Abbott, Montreal; W. E. Phillips, Toronto. Vice-pres.—W. H. Aird. Sec. & treas.—K. G. Pendock. Controller—J. R. Leslie.
	†1953	sq. mi.	.....	19,817,000	14,207,115	♦4,223,890	13.16	4,431,000	4,703,018	29.39	2.52	2.00	1.00	2,648,684	21,660,823	
†Consolidated. ‡Including Donnacona Paper Co. Ltd.																
WESTMINSTER PAPER▪	*1955	.....	30,000	†1,240,000	1,786,169	345,888	27.00	642,000	741,574	A 20.20	B 1.55	A 0.50	B 0.65+0.12½	409,728	2,147,886	J. J. Herb, chm., Bellingham, Wash.; E. M. Herb, pres. & man. dir., Vancouver, B.C.; F. F. Foote, sec.-treas.; J. G. Robson; New Westminster; A. D. Lauder, C. Bentall, Vancouver; A. E. Armstrong, D. B. Wilkinson. Vice-pres. & mill mgr.—J. Ashby.
	*1954	.....	.....	1,240,000	1,427,773	443,619	17.73	452,000	473,960	6.85	1.31	0.50	0.50+0.12½	234,836	1,450,495	
•Year ended Jan. 31. †Redeemed Apr. 4, 1955.																

♦Also mfrs. pulp products and by-products. ♦Including depletion. ▪Also produces groundwood and sulphite pulp. dDeficit.

Pulp Group

Company	Year	Wood Resources Cords or Sq. Miles	Mill Capacity Annual Tons	Funded Debt $	Net Earn. $	Deprec. $	Times Int. Earned After Deprec. No.	Income Taxes $	Net Profit $	Earnings per Share Pref. $	Earnings per Share Com. $	Dividends Paid or Pay. Pref. $	Dividends Paid or Pay. Com. $	Surplus for Year $	Working Capital $	DIRECTORS
ALASKA PINE & CELLULOSE	†1954	‡8,000	150,000	11,555,000	9,247,561	♦3,800,240	8.29	2,840,000	1,840,524	111.55	17.58	5.00	nil	1,758,024	10,448,469	C. B Morgan, chm.; W. E. Breitenbach, exec. vice-pres.
	†1953	.....	.....	12,270,000	7,129,958	♦3,745,980	5.80	1,660,000	1,084,726	65.74	10.02	2.50	nil	1,043,476	7,762,797	
Controlled by Rayonier Inc. †Consolidated; in 1954 includes accounts of Canadian Puget Sound Lumber & Timber Co. ‡Millions of board feet.																
BATHURST POWER & PAPER♦	1954	2,700	*154,000	9,229,000	7,266,602	♦1,274,195	13.91	2,580,000	2,962,283	A °7.41	B ‡4.19	A 2.00+1.00	B 1.00	1,437,283	11,435,554	R. L. Weldon, pres.; P. A. Thomson, vice-pres.; Montreal; J. G. Chalmers, Bathurst, N.B.; Joseph A. Simard, J. B. Woodyatt; Montreal; R. G. Ivey, London, Ont.; Hon. G. P. Burchill, Neison, N.B.; E. M. Little, Quebec, P.Q. Adm. vice-pres.—G. K. Cockerill. Exec. vice-pres. & treas.—R. H. Christian. Sec.—E. S. Kirkland.
	1953	sq. mi.	.....	8,729,000	5,542,555	♦1,258,421	12.91	1,960,000	1,974,797	4.94	†1.62	2.00+1.00	1.00	449,797	13,447,621	
Includes accounts of Canadian Wirebound Boxes. *All products. †Before (†after) participation; after partic. cl. A earned $4.00 (max.) in 1954, $2.62 in 1953.																
ERASER COS.▪	†1954	5,515	244,500	4,200,000	12,751,115	♦3,115,694	73.41	4,636,000	4,868,171	•	2.16	3.76	1.00	2,588,523	13,798,549	Harold Crabtree°, chm., Montreal; Aubrey Crabtree°, pres. and gen. mgr.; L. M. Sherwood°, vice-pres. and controller; Edmundston, N.B.; A. H. Campbell, Hon. F. P. Brais, C. M. Matheson, H. P. Thornhill°, Montreal; S. F. Duncan°, Toronto; Hon. D. L. MacLaren, Saint John, N.B.; Ralph B. Brenan. Sec.—G. G. Gillies. Treas.—H. H. Henderson. °Member executive committee.
	‡1953	sq. mi.	.....	4,550,000	11,007,574	♦3,065,835	56.73	4,994,000	2,973,739	208.82	1.30	4.75	1.00	679,992	10,941,925	
†Consolidated. ▪Redeemed Oct. 15, 1954.																
MINAS BASIN PULP & POWER♦♦	1954	484	35,000	1,953,500	†756,915	190,570	6.33	122,181	154,688	....	9.10	....	2.00+1.00	103,688	2,330,968	D. W. Murray, chm.; R. A. Jodrey, pres.; J. J. Jodrey, vice-pres. & man. dir.; G. H. Nichols, treas.; L. G. Bishop, asst. sec. & asst. treas.; B. R. Alexander; Hantsport, N.S.; G. A. Chase, L. B. Chase, Port Williams, N.S.; F. M. Covert, F. C. Manning, R. W. Harris, Halifax, N.S.; K. L. Crowell, Bridgetown, N.S.; C. G. Hawkins, Milford, N.S.; C. P. Wyman, Portneuf, P.Q.; J. B. Hennigar, Sheffield Mills, N.S. Sec.—G. A. Bent.
	1953	sq. mi.	.....	2,000,000	†508,114	202,186	3.32	19,618	194,172	....	11.42	....	2.00+1.00	143,172	2,236,479	
♦After interest on loans, notes, etc.																

♦Including depletion. ♦♦Also produces paperboard. *Also produces kraft, manila and building papers, bags, etc. ▪Also produces bond and specialty papers, paperboard and lumber. ♦Also produces kraft box and container boards.

Miscellaneous Group

Company	Year	Wood Resources Cords or Sq. Miles	Mill Capacity Annual Tons	Funded Debt $	Net Earn. $	Deprec. $	Times Int. Earned After Deprec. No.	Income Taxes $	Net Profit $	Earnings per Share Pref. $	Earnings per Share Com. $	Dividends Paid or Pay. Pref. $	Dividends Paid or Pay. Com. $	Surplus for Year $	Working Capital $	DIRECTORS
BARBER-ELLIS OF CANADA	1954	.....	.....	.....	546,482	102,616	....	198,208	240,658	200.55	5.37	3.50	3.20	95,658	1,368,701	E. H. Ellis, pres., Toronto; C. G. Ellis, chm. & vice-pres., Brantford; K. W. Murphy, gen. mgr.; Toronto; J. S. Ellis, treas., Montreal; J. W. Westaway, T. A. Thornton, Toronto; A. E. Nelson, Winnipeg; Lt.-Col. V. Scott, Vancouver; E. W. Thompson. Sec.—C. F. Tress.
	1953	.....	.....	.....	492,174	94,778	....	188,595	203,154	169.30	4.52	3.50	3.20	58,154	1,277,522	
BUILDING PRODUCTS	1954	.....	.....	.....	3,542,669	654,949	....	1,300,000	†1,587,007	....	3.28	....	1.80	716,916	6,238,935	W. R. McNeil, chm.; L. S. Odell, vice-chm.; L. F. Long, pres. & man. dir.; J. D. Johnson, G. W. Huggett, J. A. Eccles, Montreal; H. R. Tudhope, Toronto; Joseph Harris, Winnipeg; P. R. Allen, East Walpole, Mass. Vice-pres. t/c sales—S. M. Barclay. Vice-pres. t/c mfg.—C. E. Turner. Sec.-treas.—J. E. Mitcham.
	1953	.....	.....	125,000	3,793,253	572,951	....	1,496,000	†1,719,778	....	3.54	....	1.80	840,687	6,410,102	
†In 1954, includes $4,156 prof. on sale of fixed assets and investments; in 1953, after deducting loss of $5,217 on same.																
CANADIAN WALLPAPER	*1955	.....	.....	180,000	†202,837	135,056	....	147,534	†299,559	....	A & B d2.32	....	A & B nil	†299,559	1,969,944	Arnold Ashton, pres., Toronto; Alfred Whittle, vice-pres., Manchester, Eng; R. J. Boxer, T. A. G. Staunton, R. R. Sparling, L. K. Redman, D. A. Mackenzie; Toronto; A. Jackson, Manchester, Eng.; G. H. Walmsley, Rochdale, and J. Watson, Darwen, Lancs., Eng.; I. C. Sanderson. Sec.-treas.—John Prescott.
	*1954	.....	.....	220,000	272,766	129,694	13.25	46,135	86,137	....	0.67	....	0.25	53,826	2,323,063	
*Year ended April 30. †Loss or deficit. ‡Credit.																
DOMINION CONTAINERS	†1954	.....	.....	883,700	837,591	166,268	15.94	312,458	314,737	....	3.03	....	0.20	293,968	949,750	Mendoza Langlois, chm.; C. N. Moisan, Jr., pres. & gen. mgr.; Hon. Wilfrid Gagnon, vice-pres.; T. A. Moisan, sec.-treas.; J. Bruce Brown, R. Fraser Elliott, Leon Simard; Montreal.
	†1953	.....	.....	908,700	871,914	120,376	17.11	340,062	364,215	....	3.51	....	0.20	343,446	967,383	
†Consolidated.																
HENDERSHOT PAPER PROD.	1954	.....	.....	.....	276,330	36,621	....	112,480	127,229	50.89	3.82	5.00	1.00+0.25	77,229	142,502	T. R. Harrison, pres., Toronto; J. C. Colclough, vice-pres. & gen. mgr.; G. W. Hendershot, Argue Martin, S. S. DuMoulin, Hamilton, Ont. Sec.-treas.—W. A. W. Dickson.
	1953	.....	.....	.....	202,743	32,002	....	78,812	91,929	36.77	2.65	5.00	1.00+0.25	41,929	234,644	
HINDE & DAUCH PAPER	‡▪1954	.....	.....	3,300,000	3,750,494	679,853	41.53	1,493,146	1,503,560	....	†4.77	....	1.40	1,062,560	5,617,030	Sidney Frohman, chm.; C. E. Frohman, vice-chm.; Sandusky, Ohio; W. H. Palm, pres. & gen. mgr.; T. E. Lloyd, vice-pres. & sec.; M. H. McArthur, vice-pres. sales; R. L. Warren; Toronto; D. L. Luke, Jr., J. D. Cowan, D. L. Luke, III, New York. Treas.—R. S. Kellow.
	1953	.....	.....	2,100,000	4,223,873	635,068	48.63	1,759,066	1,755,937	....	5.85	....	1.40	1,335,937	3,716,021	
‡Consolidated. ▪Ten months ended Oct. 31. †Based on No. of shs. o/s as calculated from dividends paid.																
SIDNEY ROOFING & PAPER	1954	.....	.....	991,500	1,196,337	330,966	23.24	411,549	416,578	8.33	3.72	0.90	nil	371,578	1,582,850	W. Garfield Weston, chm.; R. W. Mayhew, pres.; J. A. Craig, vice-pres. & gen. mgr.; R. F. Caldwell, R. A. Irwin, R. A. Robertson, A. H. Williamson. Sec. & treas.—H. E. Brown.
	1953	.....	.....	995,500	1,065,145	383,581	16.77	317,844	323,118	6.46	2.78	0.90	nil	278,118	1,219,215	
SOMERVILLE	1954	.....	.....	2,823,286	1,263,586	364,216	5.75	271,014	471,818	11.80	100.99	2.80	nil	359,818	2,848,931	R. A. Robertson, chm.; R. A. Irwin, pres. & gen. mgr.; R. P. Reid, man. dir.; F. C. Lennox, vice-pres., sales; A. G. Shillington, vice-pres., prod.; W. Garfield Weston, J. A. Chambers, H. J. Coon. Sec.-treas. & compt.—F. B. Campbell.
	1953	.....	.....	2,911,643	1,162,296	554,638	7.38	264,243	261,026	6.53	41.83	0.48	nil	233,560	2,621,350	
J. C. WILSON	1954	.....	.....	.....	222,780	132,201	....	35,793	48,430	....	0.29	....	0.17½	19,424	890,252	J. C. Wilson, pres. & gen. mgr.; F. H. Wilson, vice-pres.; W. R. Pollock, sec.; H. G. Lafleur, Mrs. D. D. Wilson, Montreal. Treas.—A. S. G. Henderson.
	1953	.....	.....	.....	367,684	112,086	....	115,258	132,971	....	0.80	....	0.70	16,946	1,318,055	

Here's What Is Being Done To Conserve Forests

The forest has been described as the "orphan step-child" of the timber industry.

For years, enormous amounts of money, time, energy and intellect have been devoted to the manufacturing and marketing end of the industry.

But some pulp and paper men feel a disproportionately small amount has been spent on protection and maintenance of the forest. They say a casual acceptance of this foundation for a major share of Canada's prosperity can no longer be accepted.

Their argument: steady inroads of fire, insect and disease, expanding world demand and increasing population makes forest protection vital if the industry is to be maintained.

True, steps have been taken in recent years to preserve this heritage but the industry generally feels these must be intensified. One of the major battles involved is curbing the heavy losses incurred annually by fire, insect and disease which consume more than 18% of Canada's average yearly forest consumption.

The problem is certainly not an easy one. If it had been, it would have been solved years ago. Ironically, the general public, who are the real owners of the forest and its wealth, are responsible in a large measure for the losses sustained each year.

Take, for example, forest fires. Some 80% of the average 5,000 forest fires annually are caused by carelessness of humans. Despite educational programs by governments, associations and companies, individuals still continue to be responsible for large timber losses each year.

Nevertheless, there have been advances. Forty years ago provincial organizations were either nonexistant or extremely sketchy in their scope and ability. Over the years, great progress has been achieved in the physical means of fighting forest fires and some progress in the public attitude toward the need for greatly increased accomplishments in forest fire prevention.

What's Being Done

Here is a breakdown on what is being done across Canada:

In British Columbia, the B. C. Forest Service is directed by Deputy Minister of Forests Dr. C. D. Orchard, of the Department of Lands and Forests at Victoria. The province is divided into districts under professional foresters. A trained staff of rangers uses chartered aircraft, look-out towers, coastal patrol boats and saddle horse patrols as required.

Direct communication is maintained by short-wave radio. Consequently, rangers may speak directly to look-out towers or to the district and regional officers, from telephones installed in their trucks, look-out towers or patrol boats.

Training of forest rangers is accomplished in a well-equipped ranger school at Green Timbers, just outside Vancouver, under the direction of a permanent staff. Professional foresters, many of whom obtain employment with the provincial service, are trained at the University of British Columbia, School of Forestry, under Dean George Allen and his staff.

A close integration of the provincial ranger system is maintained with the operating pulp, paper and lumber companies, who have similar protection organizations and equipment on the limits which they operate.

By these means, and with the co-operation of the public in reporting fires, forest fire problems in the interior and on the coast are kept within reasonable bounds. However, in the vast regions of the central interior and the far north, the tremendous areas assigned to a single ranger, combined with the difficulty of access, leaves the forest resource seriously exposed to fire damage.

In Alberta, the provincial service under the Director of Forestry, Mr. E. S. Huestis, operates from Edmonton. Similar organization of look-outs, ranger districts and communications have been developed, and a ranger training school is operated for several weeks each year at the Kananskis forest headquarters, between Calgary and Banff.

One development in Alberta, which is unique, is the Eastern Rockies Forest Conservation Board and it's management of 9,000 sqare miles of forest land, from the Red Deer river in the North to the international boundary in the South. This co-operative arrangement, in which federal money is voted for special protection and management of a provincial area, has been in operation for approximately six years. The purpose is to give better protection to the headwaters of rivers providing irrigation water for valuable agricultural areas in Alberta and the two provinces to the east of it. Extensive road systems, and improved fire detection have been developed to protect this widely used forest and tourist area. Southern Alberta thus has much more intensive protection than the more northerly regions. There, the same situation exists as in Northern B. C., forest rangers are responsible for vast areas of timber without access roads or trails. Consequently, timber areas are exposed to much more hazard than the east slope Rockies protection area.

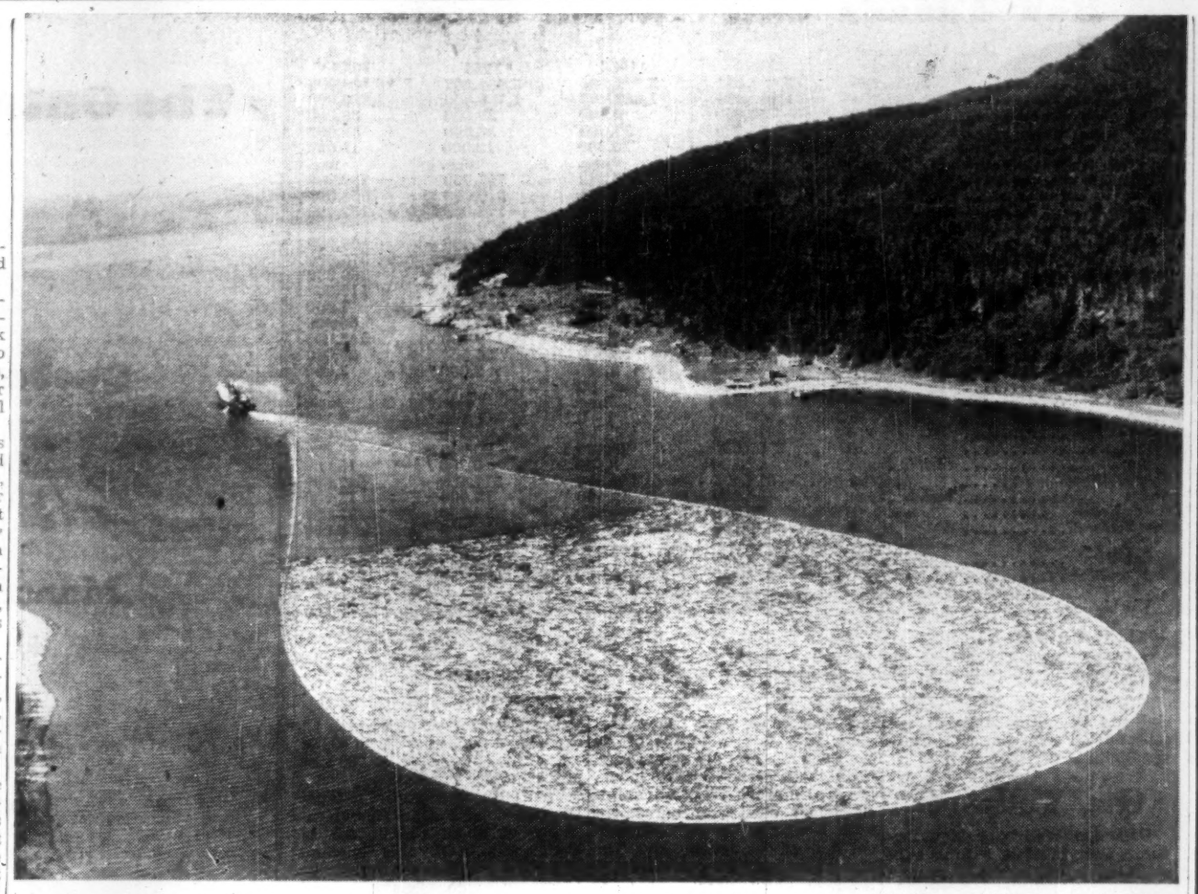
Aerial Attack

Saskatchewan, in recent years, has developed a remarkable adjunct to normal forest fire protection, known as the "smoke-jumpers." These specially trained, well-equipped crews of parachute-jumping forest fire fighters are available for quick and effective transport to the scene of a forest fire while it is still in the early stages. Many incipient disasters have been prevented by this prompt aerial action.

In addition, the Saskatchewan radio communication system is considered second to none. It is used for many other purposes besides forest protection: in the expanding traffic brought on by uranium and other mineral finds, and by the increasing tourist and recreational trade in Saskatchewan's far north.

Manitoba has over 60% of its surface in timber or water while only 40% is in the southern grain belt. For this reason the Manitoba department of Mines and National Resources maintains an effective Forest Service under the direction of Chief Forester J. G. Somers. Several provincial forest reserves are operated, and Manitoba possesses, at the present time, the only operating pulp mill in the three west central provinces.

Tree planting in this area has reached worth-while proportions on the open agricultural prairies. The large recreational lake areas in the North are an important responsibility of the provincial department.



FROM COAST TO COAST, in eight of the ten provinces, pulp and paper makers are converting our forest resources into usable products. Including 75,000 woods workers cutting wood for sale to the mills, close to 250,000 seasonal workers cut and move the pulpwood harvest. Above, harvested pulpwood is moved to a Newfoundland mill.

Ontario covers almost 200 from Manitoba to it's eastern boundary near Cornwall, and extends an equal distance from north to south. Over the greater portion of this territory the Laurentian Shield makes this a land of timber, water and wildlife. It is under the direction of the large and well organized Ontario Department of Lands and Forests. Divisions of the department, under Deputy-Minister F. A. MacDougall, a Toronto forestry graduate, include the forest protection division, under T. E. Mackie, also a professional forester, and graduate of the same school.

Ontario has the largest fleet of provincially owned forest fire protection planes in the country, practically all equipped for landing on water. Many of the planes show the improvements built into them by the foresters and protection specialists, who have flown and operated them over millions of miles of Ontario's woodlands. The Beaver and Otter planes are recognized as among the most efficient of their type in bush and forest fire protection work. More recently, helicopters have been added to the aerial fleet, supplementing the extensive work of the regular protection staff of rangers, assistants and summer patrolmen, with their fire-fighting equipment and machinery.

In Ontario, forest rangers are given specialized training at the forest ranger school at Dorset, Ont., where in approximately one year of training experienced rangers are given advanced courses in all of the specialties with which they have to deal in their own districts. Problems range from the extensive protection necessary in the vast spruce flats of the Hudson Bay drainage, to the intensive fire problems found in the St. Lawrence drainage. Here summer tourists and the cottagers, along with American visitors, increase the population to 20 times it's winter resident total.

Quebec has similar problems, but is aided by an extensive system of forest fire protection associations, unique in Canada. Each of these operates under the direction of a manager and staff and is supported by assessments made on the pulp and paper or lumber firms whose limits they protect. In co-operation with the Provincial Government, which also levies a charge for the acreage protected, Quebec has a fire protection record comparable to Ontario. Special regional problems exist, such as the colonization areas in the Abitibi claybelt, the heavy mining populations near Rouyn, and blueberry pickers in other areas of the province.

Regulations recently passed make Quebec laws some of the most stringent in Canada, and these have been rigidly enforced. Penalties are severe for infractions of forest fire laws, closures are invoked where necessary, and maintained until the fire hazard has returned to normal proportions.

Quebec has a forest ranger

(Continued on page 75)

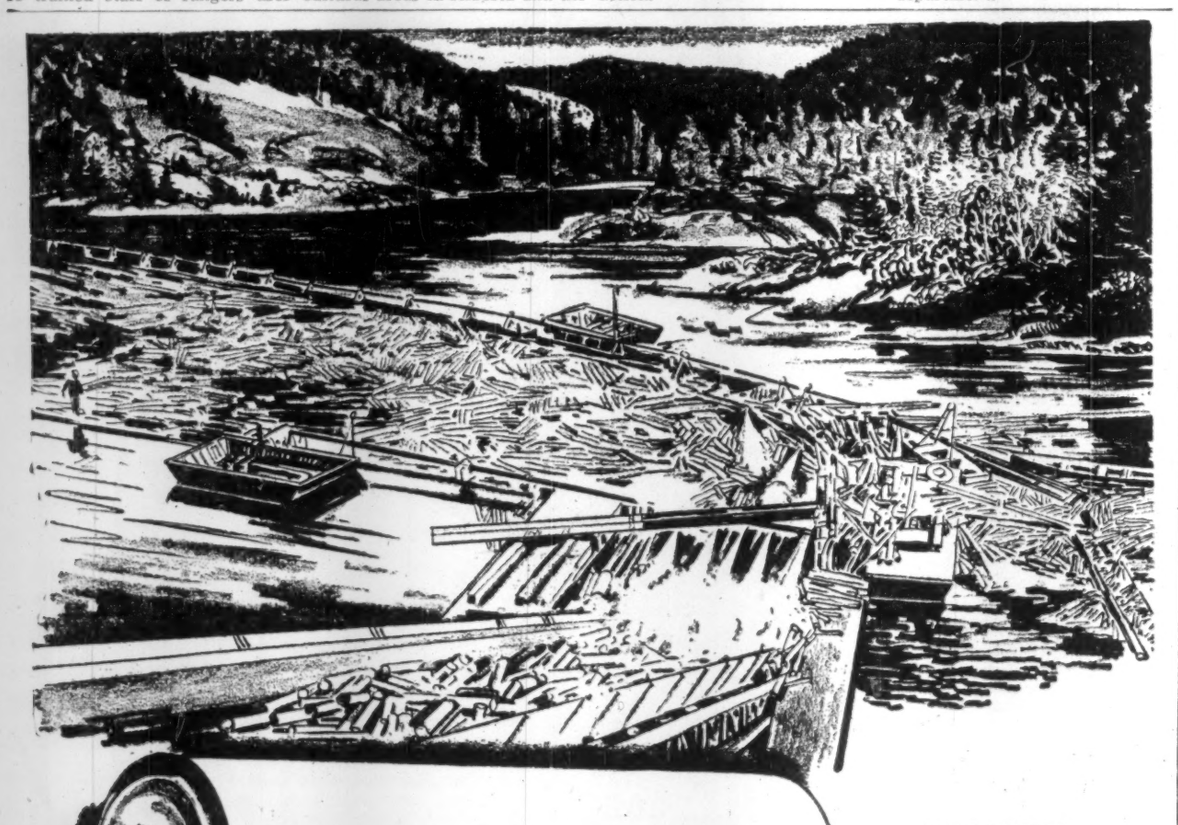
DONOHUE BROTHERS
LIMITED

newsprint

groundwood pulp

MILLS
CLERMONT, CHARLEVOIX, QUE.

HEAD OFFICE
QUEBEC, QUE.



Québec's Forests in 1954

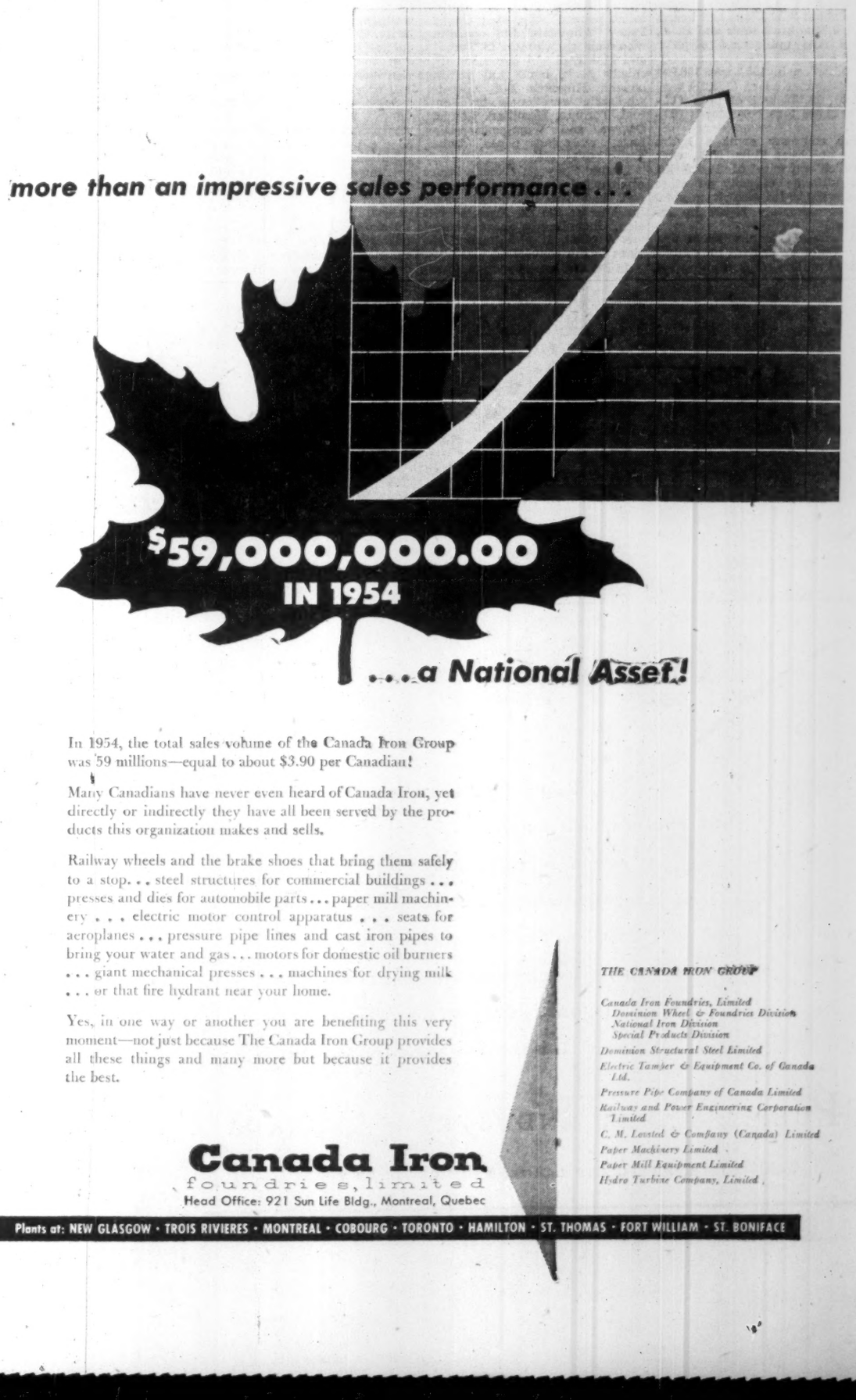
supported 55 major plants producing Pulp and Paper valued at over $540,000,000.
and
paying over $90,000,000 in wages to more than 24,000 employees.

For information on industrial opportunities in La Province de Québec, write: Provincial Publicity Bureau, Parliament Buildings, Québec City, Qué.

BY-PRODUCTS OF QUÉBEC'S FORESTS

NEWSPRINT
PAPER TOWELLING
WRAPPING KRAFT
PLYWOODS
CONTAINER BOARD
BUILDING LUMBER
CELLULOSE
RAYONS, ETC.

LA PROVINCE DE
Québec



In 1954, the total sales volume of the Canada Iron Group was 59 millions—equal to about $3.90 per Canadian!

Many Canadians have never even heard of Canada Iron, yet directly or indirectly they have all been served by the products this organization makes and sells.

Railway wheels and the brake shoes that bring them safely to a stop... steel structures for commercial buildings... presses and dies for automobile parts... paper mill machinery... electric motor control apparatus... seats for aeroplanes... pressure pipe lines and cast iron pipes to bring your water and gas... motors for domestic oil burners... giant mechanical presses... machines for drying milk... or that fire hydrant near your home.

Yes, in one way or another you are benefiting this very moment—not just because The Canada Iron Group provides all these things and many more but because it provides the best.

Canada Iron
foundries, limited
Head Office: 921 Sun Life Bldg., Montreal, Quebec

THE CANADA IRON GROUP

Canada Iron Foundries, Limited
Dominion Wheel & Foundries Division
National Iron Division
Special Products Division
Dominion Structural Steel Limited
Electric Tamper & Equipment Co. of Canada Ltd.
Pressure Pipe Company of Canada Limited
Railway and Power Engineering Corporation Limited
C. M. Lovsted & Company (Canada) Limited
Paper Machinery Limited
Paper Mill Equipment Limited
Hydro Turbine Company, Limited

Plants at: NEW GLASGOW · TROIS RIVIERES · MONTREAL · COBOURG · TORONTO · HAMILTON · ST. THOMAS · FORT WILLIAM · ST. BONIFACE

Here Are Reports On the Specialty Paper Companies

Abitibi

Abitibi Power & Paper Co., in addition to newsprint, sulphite pulp, etc., also makes paperboard, wrapping paper and many other items.

Corrugated board is produced at company's Sturgeon Falls, Ont., mill while the Iroquois Falls mill also manufactures wrapping paper. Capacity of these mills is 36,960 tons and 13,860 tons per annum respectively.

Production of paperboard in 1954 amounted to 43,484 tons.

For the main report on Abitibi see the newsprint section.

Anglo-Canadian

Anglo-Canadian Pulp & Paper Mills Ltd. produces paperboard and wrapper at its Quebec City mill. It has one 120-inch paperboard machine.

Production of paperboard in 1954 amounted to 20,272 tons against 19,183 tons of paperboard the previous year. Capacity is 21,000 tons of paperboard annually.

Consolidated net profit was $4,651,474 for 1954 against $3,222,944 in 1953.

For main report see newsprint section.

Bathurst

Bathurst Power & Paper Co. turns out folding and setup box boards, kraft liner board, BCM (Bathurst Corrugating Material), patent coated boards, bleached manila boards, colored boards, pulp boards, as well as unbleached sulphite pulp and groundwood. Bathurst's mill is at Bathurst, N.B.

The company has formed a new container division which will correlate the operations of the recently acquired Canadian Wirebound Boxes Ltd., with the company's other two subsidiaries, Kraft Containers Ltd. of Hamilton and Shipping Containers Ltd. of Montreal and St. Laurent. The new division will market industrial shipping containers under the name of Bathurst Containers.

The Hamilton and Montreal subsidiaries produce corrugated shipping containers and similar products from kraft liner and corrugated board.

The company's output of kraft products and box boards is sold chiefly in the domestic market and to the U. K. and Australasia.

Company's rated annual capacity is about 33,000 tons box board, 125,000 tons kraft liner and BCM, 24,000 tons unbleached sulphite pulp.

Production in 1954 was 106,094 tons container board (102,211 tons in '53), 19,132 tons of pulp (11,681), 22,353 tons box boards (22,526).

The company owns a hydro plant at Great Falls, N.B., with installed capacity of 14,000 hp. The ultimate capacity of other sites is 40,000 hp, also steam plant of approximately 25,000 hp capacity.

It leases 2,700 sq. miles of timber limits estimated to contain over 14 million cords of pulpwood.

Consolidated net sales in 1954 at $27.4 millions were up substantially from $23.3 millions the previous year and consolidated net profit of $2,962,283 was a sharp 50% higher than $1,974,797 in 1953.

Inventories of finished goods on hand at the year's end were higher but not abnormal. Selling prices of products of the mills division were steady. For the first quarter of 1955, net profit at $544,987 was up substantially from $432,330 in the same period of last year. Business outlook for the balance of 1955 was described as reasonably optimistic and sales volume has shown moderate improvement.

The company has introduced a new kraft liner board of lighter color and improved printing surface and also started producing both white and colored liner boards. It also is building a new plant at Whitby, Ont., which is scheduled for completion by the end of 1955 and will give Bathurst five plants in Eastern Canada for manufacture and distribution of shipping containers.

Canada Paper

Canada Paper Co. is a wholly owned subsidiary of Howard Smith Paper Mills Ltd. and production includes newsprint, kraft, wrapping, bagging, rotogravure, envelope papers, box cover papers, paper bags, and a range of converted products including creped and crinkled papers, towels, waterproof building and wrapping papers and many specialties.

It has a plant at Windsor Mills on the St. Francis River in Quebec which includes a kraft pulp mill, a two-machine paper mill and a converting plant.

The St. Francis mill, about one half mile up the river from Windsor Mills, has two paper machines and an electrically driven groundwood mill.

Plants of the company have annual capacities of 56,000 tons of kraft, wrapping, book and specialty paper; 90,000 tons of kraft pulp; 10,000 tons of groundwood pulp; 350,000,000 paper bags.

Its subsidiaries include Schofield Paper Co., N.B., operating a wholesale warehouse in Saint John and one in Halifax, dealing in high-grade papers, wrapping, twine, newsprint, ruled forms, toilet papers, bags, etc.; Canada Paper "Wholesale" Ltd. operating wholesale warehouses in Toronto and Montreal and merchandising chiefly book, bond and writing papers; Kilgour's Ltd. operates wholesale warehouses in Montreal, Toronto, Hamilton, London, Ottawa and Winnipeg, selling bags, wrapping paper, twine, paper boxes, etc.

During the year, Canada Paper constructed a new machine room and installed additional paper machine at the St. Francis division, including a new central steam plant. It also made additions to the converting plant.

In the fine papers section, financial and operating statistics are consolidated with those of Howard Smith Paper Mills Ltd.

How Canada Leads World Output

Country	Average 1935-39	1952	1953	1954	1955
Canada	3,336,786	5,687,051	5,721,296	5,984,207	*6,100,000
U.S.A.	907,804	1,146,864	1,083,982	1,180,000	1,320,000
Argentina	0	33,000	8,800	29,000	30,000
Brazil	4,000	33,000	37,000	38,000	38,000
Chile	4,350	12,865	10,339	12,000	11,000
Peru	n.a.	130	neg.	neg.	neg.
Britain	961,800	601,290	675,242	705,000	730,000
Finland	436,125	479,981	484,164	510,000	658,000
Norway	205,500	167,264	172,309	174,000	182,000
Sweden	299,015	364,620	372,115	370,000	390,000
Austria	70,550	82,200	92,500	105,000	105,000
Belgium	397,000	316,000	371,000	375,000	375,000
France	216,000	190,598	223,117	240,000	260,000
German Republic	99,285	112,000	107,000	115,000	115,000
Netherlands	2,000	2,000	1,761	1,600	1,500
Portugal	34,500	55,000	60,000	66,000	66,000
Switzerland	74,500	123,505	128,045	140,000	145,000
Italy	27,600	25,550	33,000	36,000	38,000
Spain	0	4,300	2,856	3,000	3,000
Turkey	0	500	0	0	0
Yugoslavia	0	neg.	neg.	neg.	neg.
Egypt	0	0	0	1,700	2,750
Israel	0	0	0	0	30,000
India	0	90,000	90,000	90,000	90,000
China	Incl. in Japan	7,800	8,650	9,000	10,000
Taiwan (Formosa)	406,200	318,605	469,830	517,423	527,500
Japan	Incl. in Japan	15,000	15,000	15,000	15,000
South Korea	0	35,000	48,700	76,000	78,000
New Zealand	0	0	0	0	8,000
Sub-Total	7,534,835	9,962,330	10,277,746	10,858,930	11,394,750
Russian Bloc	609,000	838,000	888,000	888,000	888,000
World Total	8,143,835	10,800,330	11,165,746	11,746,930	12,282,750

1954-55 estimated
Neg.: exact tonnages not available but known to be small.
*Assuming 1955 production at middle point of estimated range: see Table 3 and text on page 5.

Can. Wallpaper

Canadian Wallpaper Manufacturers Ltd., together with its subsidiaries, is the largest manufacturer of its type of products in Canada. Trade names are Waterfast, Durawall, Permaplast, Sunworthy, and Semi-Trimmed.

Plants are situated in New Toronto and Leaside Ont.

Company has two wholly owned subsidiaries. Empire Wall Papers Ltd., acts as a sales outlet for the products of the parent company with wholesale and retail stores in Toronto (2), Montreal, Winnipeg, Regina, Calgary, Saint John, N.B., Ottawa, London, Ont., Hamilton and Kitchener, Ont.

Dominion Colour Corp. was formerly the color department of the parent company and was converted into a separate entity 1946-47.

Company's consolidated net loss for the year ended April 30, 1955 was $299,559, compared to consolidated net profit of $86,127 for previous fiscal year.

The substantial loss is attributed mainly to an unduly sharp falling off in both domestic and export markets. A market survey indicates that with a return to more normal housing conditions, wallpaper is increasing in popularity. Company hopes that introduction of new designs and colorings for 1956, supported by a vigorous advertising campaign, will accelerate this trend.

Sales of Empire Wall Papers showed a modest gain, but this increase was sufficient to produce a profit. Coast-to-coast distribution was achieved by the opening of a branch in Vancouver during the year. Improvement in position of this subsidiary is expected.

Dominion Colour Corp. made certain additions to plant, machinery and equipment. Sales of dry color showed a small increase, but total sales were below previous year due to falling off in the demand for pulp colors used mainly by the wallpaper industry. To improve its position this subsidiary made an agreement with Kentucky Colour & Chemical Co. of Louisville, Ky. The agreement enables subsidiary to increase the scope of its color business. It expects an improvement in its position during the current year.

Capitalization outstanding at April 30, 1955, consisted of $180,000 4% serial debentures due 1955-60, 25,673 class A n.p.v. shares and 103,573 class B n.p.v. shares.

Cons. Paper

Consolidated Paper Corp. is an important producer of kraft paper and board and wrapping paper besides its newsprint and pulp operations.

Daily rated capacity of its divisions at Shawinigan Falls, Que., of the Laurentide division, Grand'Mere, Que., and Wayagamack division, Three Rivers and Cap de la Madeleine, Que., amounted to 57 tons board and wrapper, 211 tons of kraft paper at June 30, 1955. Annual capacity is 65,120 tons of kraft wrapper and 17,556 tons of board and wrapper.

Its kraft paper is sold under the trade name of "Wayagamack Pure Kraft." It supplies such products as kraft paper in brown, white and colors, used for wrapping and converting purposes. A considerable tonnage is used in the manufacture of multiwall paper sacks for cement and other rock products, flour, sugar, chemicals and fertilizers, etc.

Tissue papers, white and colored, for wrapping, creping, waxing, twisting and foil backings, etc. The company's cardboard is sold under the trade name of "Laurentide Board," and is used in the manufacture of cardboard boxes, composition, wall boards and as a mounting board for displays and many other purposes.

Consolidated net profit of the company for the first six months ended June 30, 1955, totaled $6,798,352, up a sharp 25.2% from $5,436,452 the previous year.

The company's 1954 pulp and paper production sold amounted to 833,848 tons against 811,903 tons in 1953.

For the main writeup see the newsprint section.

Dom. Cellulose

Dominion Cellulose Ltd., Toronto, and its associated company, National Cellulose of Canada Ltd., manufactures face-cleansing tissues under the brand names of "Face-Elle" and "Gibsons." It also makes "Nancy" brand toilet tissue, and miscellaneous sanitary paper products.

Dom. Envelope

Dominion Envelope Co., Toronto, manufactures envelopes, specialty bags, and converts Cellophane into bags, rolls and sheets. It has a complete packaging service.

There is no public investment in the company.

Dryden Paper

Dryden Paper Co., a subsidiary of Anglo-Canadian Pulp and Paper Mills Ltd., Quebec City, manufactures kraft pulp and kraft paper products consisting of wrapping papers, bag papers, gumming, envelope, waxing, carliners, waxed kraft, building papers, liner board, and corrugating medium. Interest is held in Woods-Dryden Paper Bags Ltd., Winnipeg, and in the Ormiston Mining & Smelting Co., new salt cake producing company at Ormiston, Sask.

The company's market for its paper products is chiefly in Western Canada. Surplus pulp is sold largely in the U. S.

On Dec. 15, 1954, the 4% first mortgage bonds and 5¼% debentures of Dryden Paper Co. then outstanding were redeemed by Anglo-Canadian. Funds for this redemption and to meet in part cost of Dryden's development program are provided through sale of $14 million 4¾% debentures of which $8,225,000 were then issued. The new development program is designed to increase the annual productive capacity to 142,000 tons of marketable production and actual construction work is to get under way in 1955 for completion by mid-1957. It also includes construction of bleach plant with an expected capacity to bleach 92,000 tons of the anticipated 142,000 tons of marketable production.

The pulp and paper mill at Dryden, Ont., has an annual capacity of about 60,000 tons of kraft pulp. Of this amount some 40,000 tons can currently be converted into finished kraft paper and kraft paper products. Balance of the tonnage is at present sold as unbleached kraft pulp in the U. S.

An adequate supply of pulpwood to the enlarged Dryden Mill has been assured through the granting of a license to the company by the Province of Ontario on additional area of about 3,783 sq. miles of timber lands.

Net profit for the 11 months ended Aug. 31, 1954, amounted to $888,598, against $817,887 for the full year ended Sept. 30, 1953.

During the year $781,019 was spent at the Dryden Mill in completing the expansion program undertaken in 1952, Anglo-Canadian said in its annual report. Dryden produced 70,715 tons of kraft pulp and paper last year.

E. B. Eddy

E. B. Eddy Co., founded in 1851, manufactures and distributes a wide range of products including printing and converting papers, household products, grocery bags, industrial products, as well as being a substantial newsprint and paper board producer.

Trade names under which products are sold include "Cheneaux Bond," "Multiscrip Duplicating," "Wellington Offset," "Express Writing Manilla," "Ancaster Book," "Post Card," "Tecumseh," "Mohawk," Bristols, "Guardian Index Bristol," "Lighthouse Wove Envelope," "C" Tag and "X" Tag Manilla, "Niagara Litho," "Multicopy Wove Duplicating," "Dalhousie Ledger," "White Swan," and "Onliwon" towels and toilet tissues.

Eddy Paper said in its annual report that consumer paper products and fine and paper products made gains in E. B. Eddy, newsprint production remained level and paperboard dropped off somewhat.

A new tissue paper machine was brought into production last year in the Hull plant of E. B. Eddy and tissue converting facilities were modernized. As a result, sales were increased greatly.

The new machine and the development program for the fine paper mills now nearing completion have made possible improvements of existing products and development of new ones, some of

(Continued on page 69)

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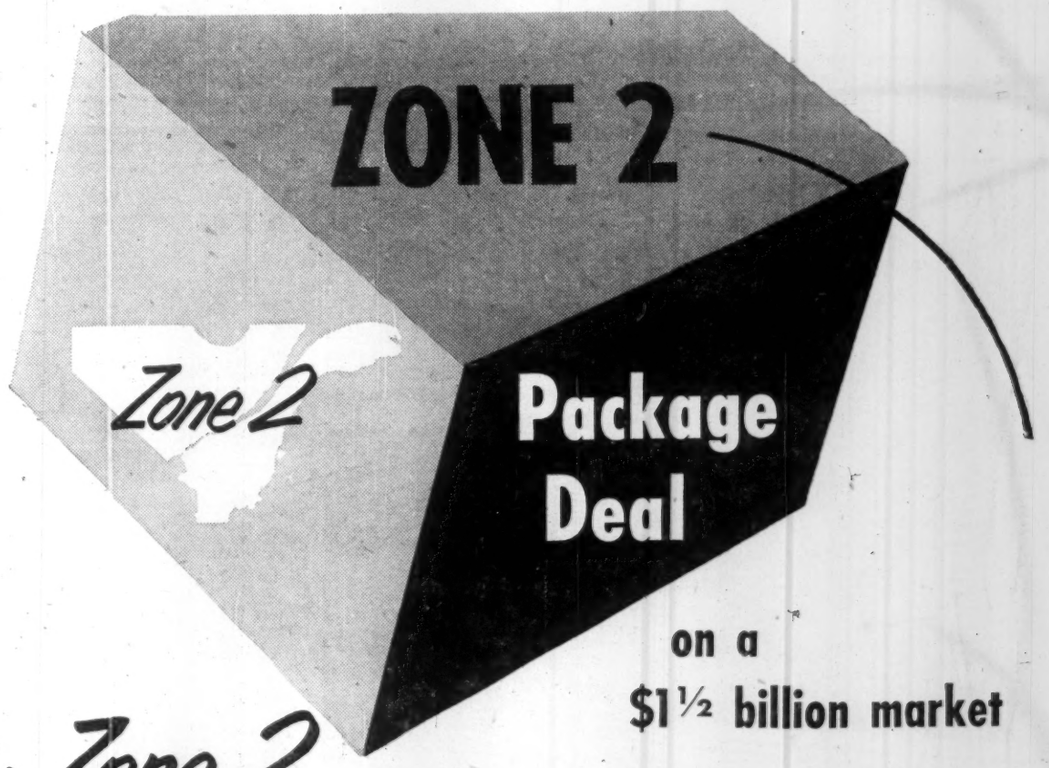

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Reports on Specialty Paper Companies

(Continued from page 68)

which are now on the market, Eddy Paper reported.

A complete writeup on this company is included under the fine paper section.

Fraser Cos.

Fraser Companies, Ltd., directly or through its subsidiaries, manufactures sulphite and groundwood specialty papers, chemical wood pulps, groundwood pulp, paperboard and lumbering products.

The company operates a sulphite and groundwood pulpmills, sulphite and kraft bleaching plants, and a paperboard mill at Edmundston, N.B., an unbleached kraft pulpmill at Newcastle, N.B., and sawmills and dressing mills at Cabano, Que., and Plaster Rock, N.B.

A subsidiary, Fraser Paper, Ltd., operates paper mills manufacturing high-grade specialty papers from chemical and groundwood pulps at Madawaska, Me.

Capital expenditures during 1954 amounted to $2,416,128 against $2,641,330 in 1953.

Consolidated net profit for the year was $4,868,171 compared with $2,973,739 for the preceding year. In the first six months of 1955, consolidated net was $2,383,894 against $2,138,782 in like period of 1954.

Pulp, paper and paperboard products sold by the company increased to 253,668 tons against 243,192 for the previous year. Production of one paper machine at Madawaska was out for three months when the machine was dismantled and replaced with a new one.

The new machine incorporates latest techniques and science of papermaking and is designed to produce better quality paper and give greater flexibility in the paper manufacturing program of the mill.

Prices were generally steady in 1954 although the market was for the most part very competitive.

Glassine Co.

Canadian Glassine Co. operates a paper mill at Quebec City for production of glassine and specialty papers.

It has one machine with a monthly capacity of 300 tons. Current production is running close to capacity.

The company is studying the possibility of installing another machine which would about double production and possibly produce other specialty papers in addition to glassine and greaseproof papers.

Sales are almost 100% in Canada from coast to coast. Chief market is Toronto and other major ones include Montreal and Ottawa.

The company started operation in its $1.5-million paper mill adjacent to the Anglo-Canadian Pulp & Paper Mills Ltd. plant about 2½ years ago. The company reports operations last year showed a great improvement for the first year and this year they have been "far better" than last year.

"It takes time to build up confidence of the public and we feel we are making satisfactory progress," said a spokesman.

Pulp is supplied by Anglo-Canadian, which has a small interest in the company. Canadian Glassine is a subsidiary of Deerfield Glassine Co., Munroe Bridge, Mass., which also manufactures glassine and specialty papers.

Interlake Tissue

Interlake Tissue Mills Co. manufactures a wide range of paper specialty products at its Merritton, Ont., plant. These include paper napkins, towels and allied products. Plant and equipment improvement carried on in recent years has enabled company to increase production substantially above its former level of 10,000 tons a year.

Interlake is privately owned and does not publish details of its financial resources. Capitalization stands at $625,000 in shares of $100 par value.

J. C. Wilson

Control of J. C. Wilson Ltd., manufacturers and distributors of paper and paper products was acquired this August by F. Howard Wilson & Associates.

Control was obtained through purchase of stock from James C. Wilson, retiring as president, general manager and director, and his wife, Mrs. Dorothy D. Wilson, a former director. "It is chiefly a change in the family ownership," said F. Howard Wilson, cousin to James C. Wilson.

Price was not disclosed. Three new directors were elected to the five-man board. Company will continue its present operations.

Company manufactures and distributes paper and paper products including wrapping paper, paper bags, toilet tissue, folding boxes, shipping tags as well as distributing paper and paper products of other manufacturers. It operates a paper mill and a bag-making plant at Lachute, Que., using about 6,700 tons of groundwood, sulphite and kraft annually. About 1,200 tons of this amount are supplied by its groundwood mill near St. Jerome, Que., where its Montreal box-making and printing operations were moved earlier this year.

Conditions in downtown Montreal made efficient operations of the box plant increasingly difficult. In view of this, the St. Alexander St. property was sold for $477,000. Payment was received on vacation of premises in April, 1955. A new box factory has been built at Lachute ($177,145 was spent on this in 1954). A building and railway siding in Montreal has been purchased for $295,000 and is now being used as warehouse and head office.

Windsor warehouse was completed at a cost of about $65,000 over two years. Sale of Ratcliff Building in Toronto was completed and netted $65,000. A bank loan of $520,284 in 1954 is attributed to heavy fixed asset additions, but most has been paid off with realization from sale of St. Alexander St. building.

Profit of $48,430 for 1954 was 63.6% lower than the previous year's $132,971. Consolidated sales were $6,524,995 against $6,608,062.

Volume of sales was maintained at approximately 1953 level, but gross margins were down and expenses continued to rise.

Dividends were not declared for the last three quarters of 1954 owing to the program of drastic plant reorganization and the adverse earnings trend.

Kimberly-Clark

Kimberly-Clark Corp. of Canada, a wholly owned subsidiary of Kimberly-Clark Corp., Neenah, Wis., operates a cellulose wadding mill on the Kapuskasing River in Northern Ontario.

Consolidated net earnings for Kimberly-Clark Corp.'s three Canadian subsidiaries (Kimberly-Clark of Canada, LongLac Pulp & Paper and Upper Canada Lumber), were $1,716,298, compared with $1,372,649 in the previous year, an increase of 25%. Individual results of the subsidiaries are not published.

Most of the increase in net earnings can be attributed to the increased volume and more efficient operations, as there was no change in selling prices from the previous year.

During year company wrote off normal depreciation of $225,977 and depreciation in excess of normal of $168,278. The original cost of the property and plant was $4,514,278 and at end of fiscal year it had been written down to $2,044,447, or 45.3% of its original cost. One machine was installed in 1945 and the second machine in 1951. The property is capable of producing more today than when originally installed.

Minas Basin

Minas Basin Pulp & Paper Co. has a paperboard mill besides its major groundwood pulp operations at Hantsport, N.S. The paperboard mill has a 24-hour capacity of 50 tons.

Capitalization includes 17,000 n.p.v. common shares outstanding.

For the chief report on this company see company reports on wood pulp producers in separate section of this issue.

Price Bros.

Price Bros. & Co. produces a large amount of paper products as well as its main newsprint operation.

At the company's newsprint mill at Kenogami, Que., it has a cardboard and wrapping paper machine which has a capacity of 17,000 tons per annum. Products from this machine are mill wrappers, screenings board, pulpboard, egg case filler board and imitation leather board.

The company operates under lease the Jonquiere Pulp Co.'s cardboard and specialty mill, with 30,000 tons annual capacity.

A new machine, the "Curalator," for processing pulp, has been developed. It is believed that this will constitute an important contribution to the papermaking art, as well as provide economic benefit. It was installed in the Riverbend mill in 1953.

Boxboard exports are still affected by lower-priced competition from Scandinavia. Jonquiere board mill suffered some loss in operating time as a result of a shortage of orders.

Boardwood production increased slightly in first three months of 1955.

St. Lawrence Corp.

St. Lawrence Corp. produces a substantial amount of kraft paper and boards, as well as its newsprint operations.

Addition to fixed assets during the year amounted to $8,632,604 largely in the form of plant expansion and improvements at East Angus and Red Rock Mills. A further $798,000 will be spent this year. At East Angus the new kraft paper machine went into production; paper machine was overhauled and modernized; a new super boiler was installed and the entire wet-end of the cylinder board machine was replaced.

At Red Rock, the former kraft machine was reconverted and began making newsprint; a new kraft machine, said to have the greatest capacity of any machine in Canada, went into production, as well as other programs.

Start-up problems at East Angus and Red Rock have been largely overcome and it is expected the new facilities will produce considerably higher volume in 1955. As a result of the corporation's re-entry into the kraft export market the use of the new kraft paper machine at East Angus to some extent for the manufacture of newsprint, kraft producing facilities should operate at a near capacity, President T. M. Fox said in the annual report.

Capacity of all mills amounts to 180,000 tons of kraft products, including container boards and papers; 377,000 tons of newsprint; 30,000 tons of unbleached sulphite, 18,000 tons of groundwood.

Consolidated net profit for 1954 was $4,451,038 compared with $5,228,641 for 1953.

Net profit for the six months ended June 30, 1955, totaled $2,636,338 against $1,919,560 in the same period of 1954. The increase reflected a substantial gain in pulp and paper sales which advanced to $33,672,894 from $29,011,967.

St. Regis Paper

St. Regis Paper Co. (Canada) Ltd., wholly owned subsidiary of St. Regis Paper Co., New York, manufactures multiwall paper bags for the industrial packaging of a wide range of commodities.

These plants are located at Cap de la Madeleine, Que., Dryden, Ont., and Vancouver, B.C., and use kraft paper produced in Canada. In addition, the Canadian company operates a machine shop in Montreal, which provides packaging machinery service, and also manufacturers' wire ties.

Operations of the Canadian company have been on an expanding scale so far this year. During the past year gains were made in sales of bags for fertilizers and manufactured feeds, the feed industry being among the large potential markets for future developments.

Paper bags were adopted for asbestos and increased sales are anticipated for the cement industry where productive capacity is being expanded.

Besides multiwall bags, the Canadian company offers customers automatic and semi-automatic filling and weighing machines for packing multiwall valve and open mouth bags. The co-ordinated packaging system which this provides is widely used throughout

(Continued on page 71)

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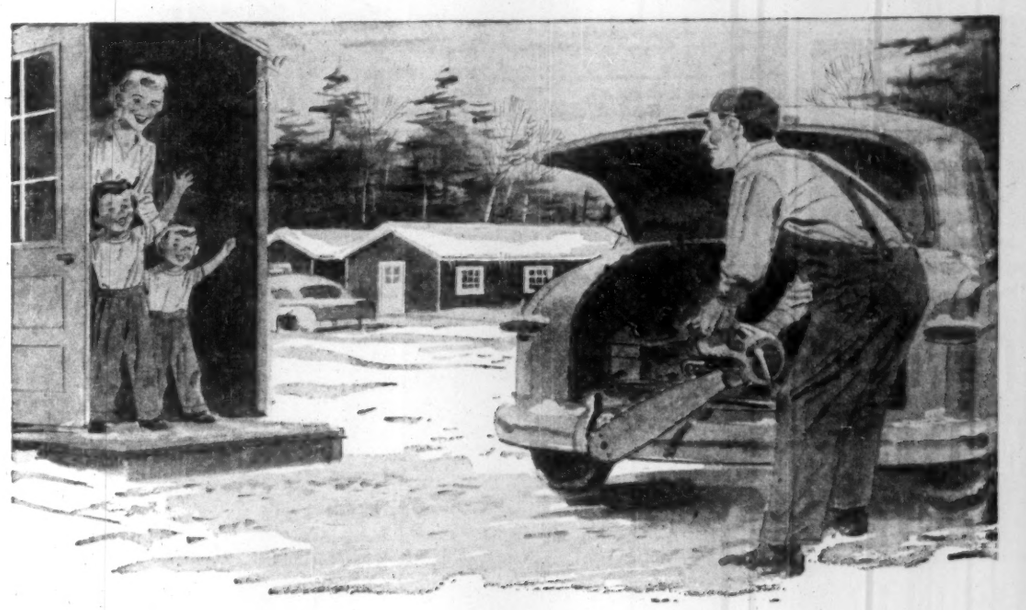

"So long Dad, we'll see you for supper"

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MOVING WOOD down the streams and holding it in booms until it can be stacked at the mill, can be a hazardous operation. Some mills have suffered heavy losses because wood broke out of the holding devices used to store pulpwood in water. Sinkage is another common source of loss. In recent years, major research studies have been undertaken to discover how to eliminate or at least reduce these hazards. To the extent the investigations are successful, it's still another way of getting more pulp per acre of woodland.

A Look At Conservation Of Canada's Wood Wealth

(Continued from page 63)

without commercial value that results from processing.

There is no question but that wastage involving the destruction of value is denial of the basic principle of resource conservation. But the logger is not wasting wood if he leaves a tree or a log that will not provide an economic return. The forest manager is not wasting growth potential by leaving undesirable trees to occupy ground when stocking the land with more desirable species is uneconomic. Pulp mill management is not wasting the resource when it discards spent cooking liquor containing complex chemical substances derived from wood for which, as yet, science has not discovered an economic use. These men are not wasting material any more than is the housewife who, after shelling peas, throws the pods into the garbage can. There is no wastage of material if, for the portion discarded, no desirable end use offers such as to provide the always necessary economic return.

The industry is continually seeking means to utilize its raw material more fully. The cost of pulpwood in Ontario is the highest in North America. Indeed, with the possible exception of one or two European countries, it is the highest in the world. The industry can not afford to waste wood. To extract more value from wood content that was formerly discarded, companies like Ontario Paper are making alcohol from wood sugars in sulphite liquor, and are manufacturing vanillin from the effluent of the alcohol plant.

More products are being sought by industry research men and there is reason to be hopeful that before long a new chemical industry will arise based on that portion of our wood supplies that are now discarded as useless but which are certainly not wasted.

Finally we come to the most important problem in forest conservation, the regeneration of the forest. All our plans for operation in perpetuity mean nothing if we are not able to provide for a second crop.

For many years foresters have been observing the results of logging operations. They have been conducting regeneration surveys on many types of logged-over lands. Federal foresters, provincial foresters, and industry foresters have spent months and years counting trees and analyzing results. And today one can only conclude that all these men must have been working on different planets because their reports in summary range all the way from "Forest regeneration is excellent" to "Forest regeneration is terrible." The truth of the matter is conditions and requirements vary. From analysis of all survey reports one can conclude that, in general, regeneration after logging is good enough to guarantee a second forest as good as the first — but that is not good enough.

The White Paper thinks that things are pretty bad. It says, "After cutting, the valuable softwoods are being replaced by inferior species principally poplar." The Research Council of Ontario in a report by R. C. Hosie on Forest Regeneration in Ontario, referring to spruce and balsam forests, says that sometimes regeneration is good, sometimes fair, and sometimes poor. The report indicates that for pulpwood forests two thirds or possibly three quarters of the cut-over area is satisfactorily stocked. In any event, Professor Hosie appears to conclude that the situation is considerably better than that described in the White Paper.

Another authoritative report is that by R. H. Candy, published in 1951 by the Federal Government. Mr. Candy reports that reproduction following logging in Eastern Canada from Lake Superior to the Atlantic is "most encouraging." He remarks that in the area west of Lake Superior reproduction is less abundant.

Industry foresters report mixed results from their studies. Most of the reports state that, in general, regeneration following logging is sufficient to assure a new forest at least as good as the one that was cut, but many investigators agree with government research men that regeneration to desirable species is poorest on some of our best-growing sites. And therein lies the crux of the problem. Foresters say, and industry agrees, that we should have a better forest, yielding more wood and better wood in the second rotation than we obtained in the first.

(Continued from page 76)

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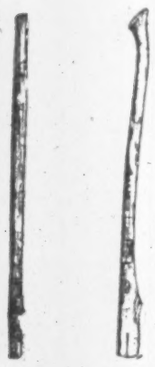

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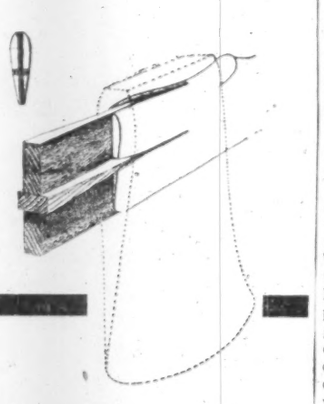

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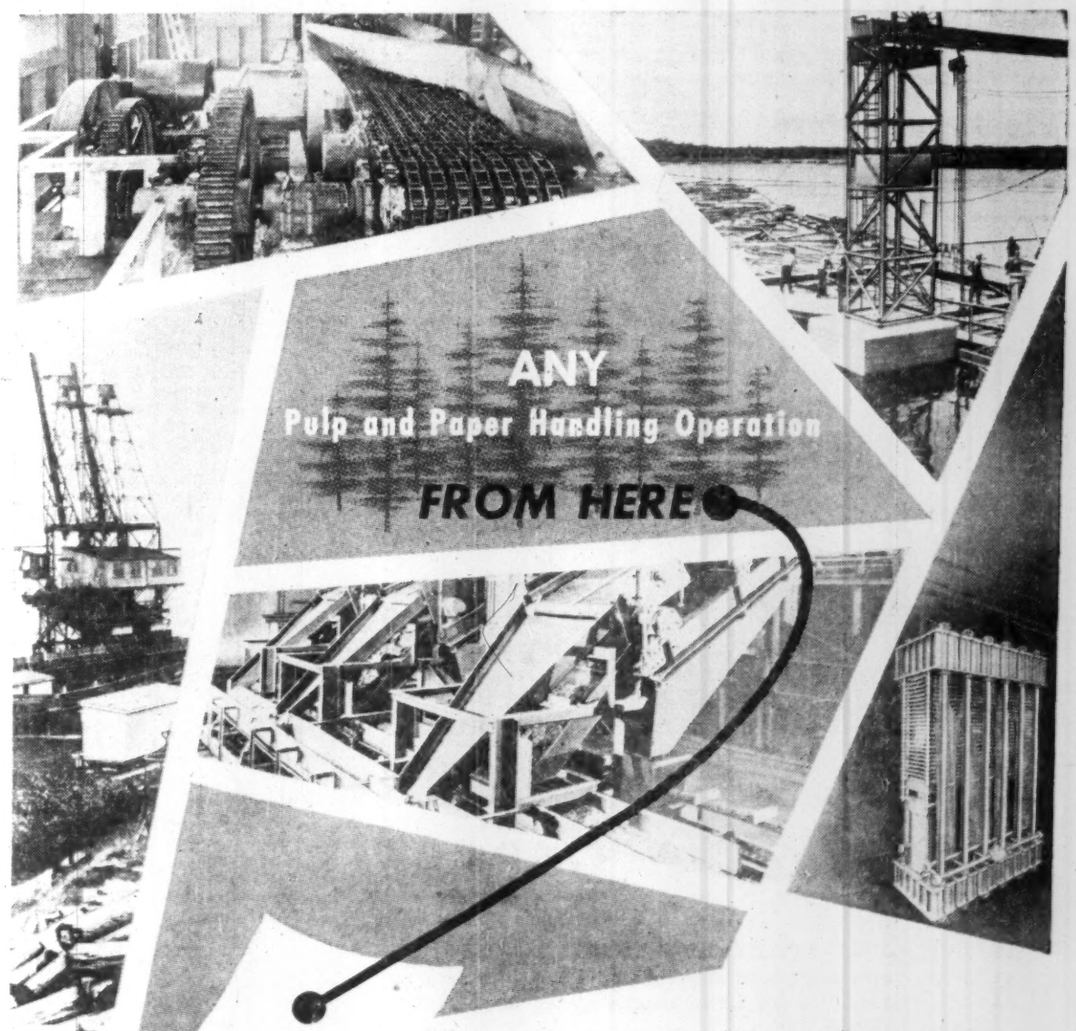

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A Contribution to Construction

Pulp and Paper Building Uses Broaden

The cellulose impact on the expanding Canadian building industry is moving toward the $50-million-per-year mark and white-coated scientists are teaming with hard-fisted production engineers to drive that figure higher.

Synthetic woods and building papers are the contributions of the pulp and paper industry to Canadian construction — and mighty contributions they are. "We're moving into an entirely new era," a paper company sales executive said this week, "because we're revolutionizing wood."

Wood no longer is regarded as solely a raw material. Today it is in the process of becoming the raw supply of cellulose — which can be contorted, changed and compounded into materials far superior to the original raw product.

Cellulose came into its own with the dawn of the synthetic fibre era. The successful introduction of economic plywood helped it bridge the gap between skirts and scaffolds. Synthetic woods are the result.

To date there are three basic synthetic lumbers: softboard, hardboard, and chipboard. They have some or all the working characteristics of raw lumber and frequently they eliminate many of the disadvantages of the natural product.

Softboard is a product of conventional pulping operations. The cellulose is rolled and dried under pressure and the result is a board with excellent insulating characteristics. Some 300 million ft. was produced in Canada last year and most of this $3.4-$15 million output was diverted to Canadian construction.

Hardboard is another product of conventional pulping operations. Pressure used is even greater than that required for softboard and the end product is denser, heavier, and it has more stable construction characteristics. Last year this industry passed the $6-million mark with production reaching some 150 million ft. About one third went into the Canadian construction industry, one third was exported, and the balance was used in other Canadian industries: furniture, toys, and auto accessories.

The Chipboard Potential

Chipboard still is something of a dream. Even the lab scientists who improve its characteristics periodically are not yet completely aware of its entire potential. But they're excited and the informed prediction is: chipboard will become a multimillion dollar business within 10 years — maybe even five years.

Chipboard also is known as particleboard, shavingboard, or flakeboard. It is not directly a pulp product, but chemical and other factors tend to make it a logical pulp and paper industry development.

Chipboard's great advantage is that it will have practically all, if not all the advantageous characteristics of natural lumber yet it should have few, if any, of lumber less desirable traits. It won't swell, warp, or otherwise become disfigured.

There are three types now receiving serious attention in the labs. These call for production from platelets, splinters, and tiny particles. These basic cellulose particles are enveloped by resin and pressed under extreme pressure. The pressure produces the structural rigidity stability and strength and the complete resin saturation eliminates the problems arising through humidity, weathering, etc.

To date only a small amount of chipboard is being produced because there still are some research and production wrinkles to be ironed out. Within a few years, however, production is expected to reach a high of 100 million ft., and about one third of this is destined for the construction industry. Furniture and wood specialty makers will account for the rest.

One war born paper industry product that is proving itself in the competitive modern market is the paper base plastic laminate. This product is based on entirely different concepts that brought about the development of synthetic boards.

In this product type (such as Arborite, Formica) layers of paper are bonded with resin and overlaid with an attractively printed plastic overlay. They are used as decorative wallboard and they are giving tile a run for its money in the bathroom tile field. They also are finding intensive use in kitchen construction and furniture.

Among the many advantages of the paper-plastic wallboards: they are not damaged by alcohol, mild alkalis and acids, they don't crack, rot, or curl, and they clean easily.

The pulp and paper industry has another winner in the building papers field.

Building papers can be produced plain, saturated, or coated. They play a vital role in construction through use in roofing products and for waterproof membrane installation. Other papers are used for vapor barriers in walls, sheathing papers, etc.

Here Are Progress Reports On Specialty Paper Firms

(Continued from page 69)

Canada. Many new machines are being installed in a variety of industries.

The Canadian company continues to enlarge the use of polyethylene-coated kraft paper which is processed at Three Rivers. A bag with a polyethylene-coated ply was successfully developed for peat moss, in the past a difficult product to pack and paper. There is an increasing use of bags with polyethylene ply in the fertilizer industry.

North Western Pulp & Power Co., owned jointly by St. Regis Paper Co. and North Canadian Oils, Ltd., has commenced construction of its projected bleached sulphate pulp mill at Hinton, Alta. The pulp mill will have a daily capacity somewhat in excess of 400 tons and is expected to be completed in 1957.

The project is estimated to cost $33 millions. Equity capital of $10 millions is being provided equally by St. Regis and North Canadian. Financial arrangements have been concluded through Royal Bank of Canada and The Bank of Nova Scotia.

As needed during construction, these institutions will advance up to $25 millions to North Western on 5-year mortgage bonds. St. Regis will direct the design and construction of the mill and manage its operation. It will purchase part of the output for use in its own mills. The balance will be sold on the open market. Participation in this project will greatly enlarge activities of St. Regis in Canada.

Using lodgepole pine and white spruce, the mill will have a perpetual pulp-wood supply through a long-term timber grant from the Province of Alberta held by North Western Pulp and Power Co., presently covering about 3,000 sq. miles (approximately 2 million acres) of timberland. In addition, the Alberta Government has granted the company an additional 3,000 sq. miles of timber land as a reserve.

The parent company reported consolidated net income for 1954 at $14,930,489 or 7.6% less than consolidated net for the previous year of $16,156,903.

Consolidated net sales of the parent company were down slightly at $200,090,143 against $200,334,208 the previous year.

Despite mixed business conditions, the Canadian subsidiary had a good year, the parent company reported. Sales were increased and earnings were maintained.

Westminster

Westminster Paper Co. produces a wide range of specialty paper products including wrapping papers, decorative papers, plain and printed papers, watermarked papers, toilet papers, facial tissues and many others. Products are sold in Canada and in export markets, although the export business is not critical to the company.

In Aug. 1954, company entered a partnership with Scott Paper Co. of Chester, Pa., the largest manufacturers of sanitary paper products in the world. The lack of experienced personnel has prevented company from capitalizing to any great degree from this association, but a reorganization is proceeding so that company can get under way with Scott's brands, patents, methods, etc.

During the present year, company does not anticipate any marked changes in earnings due to the necessity of renovating its plant to make the Scott brands and the increased personnel that it will require. It is also confronted with additional advertising and sales costs so that all of these extra expenses will likely offset the immediate benefits that it can derive from the Scott Paper association during this period.

However, the Canadian market is constantly absorbing more of company's products and company feels very optimistic about the future.

Net profit for the year ended Jan. 31, 1955, amounted to $741,574, 56.5% higher than $473,960 in previous fiscal year. Class A and B shares earned $20.20 and $1.55 respectively during the year compared to $6.85 and $1.31. Dividends amounted to 50c each year on the class A shares and 77½c (62½c) on the class B.

Net sales for the year increased by $765,709, from $7,264,441 in previous year to $8,030,150. The increase was almost entirely due to a larger quantity of goods sold.

Additions to fixed assets in 1954 amounted to $424,578. Company spent most of this money to gain greater efficiency in its manufacturing facilities and to provide for additional capacity where required by sales.

Perkins Tissue

Perkins Paper Products Ltd. manufactures a diversified line of paper products including waxed papers, toilet tissues, paper towels, paper napkins, crepe papers, gift wrapping papers, shelf papers, table covers, tray covers and baking cups.

The sales of these products are handled by three separate divisions of the company: (1) grocery trade, (2) stationery, chain and departmental stores trade, and (3) industrial users, i.e. hotels, restaurants, hospitals, institutes, etc.

It operates and has its head office in a new modern plant in St. Laurent, suburban Montreal, with a branch sales office and warehouse in Toronto. The company's products are also carried in warehouses from coast to coast with resident salesmen and agents in all major centres.

It was originally incorporated in 1930 under the name Perkins Tissue Mills Ltd. by F. F. Perkins and J. F. Perkins of Holyoke, Mass. The common stock was acquired from them in 1937 by other American interests and was purchased by Canadian interests in 1947, and is owned and operated entirely in Canada.

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Price Brothers & Company, Limited

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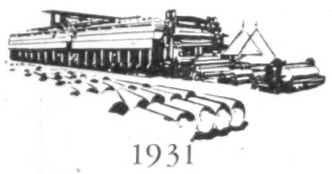
Looking AHEAD *with* CANADA

1915

Entered the pulp field

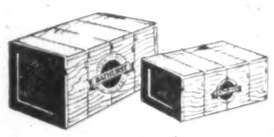


1931

First Canadian mill to make Fourdrinier Kraft liner and Kraft corrugating material

1945

Began manufacture of corrugated containers



TODAY

Enters field of making Wirebound Boxes

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Foresight led the Bathurst company into the pulp and paper field exactly forty years ago. Faith in the future led to Bathurst pioneering in 1931 the production of Kraft liner in Canada. Recognition of Canada's industrial development prompted Bathurst to enter the container manufacturing field at the close of the Second World War through the purchase of Shipping Containers and Kraft Containers. Now, with the recent acquisition of Canadian Wirebound Boxes, another major step forward has been achieved.

Today still looking to the future, Bathurst has streamlined its services for the benefit of its customers. Henceforth its five plants, strategically located in different parts of the country, will be represented by one sales organization with sales offices at key points.

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Canada's Pulp and Paper Mills

(Continued from page 60)

COMPANY	HEAD OFFICE	MILL	PRODUCTS
Building Products	Montreal	Montreal (Ville La Salle)	Building papers. Roofing felts.
Canada Paper Co.	Montreal	Windsor Mills	Groundwood, bleached and unbleached kraft pulp. Wrapping paper. Paper boards.
Canadian Glassine Co.	Quebec	Quebec	
Canadian Johns-Manville Co.	Toronto	Asbestos	Building papers, paper boards (from asbestos).
Canadian International Paper Co.	Montreal	Gatineau	Groundwood, bleached and unbleached sulphite pulp. Newsprint.
Canadian International Paper Co.	Montreal	Three Rivers	Groundwood and unbleached sulphite pulp. Newsprint. Paper boards.
Canadian International Paper Co.	Montreal	Timiskaming	Bleached and unbleached sulphite pulp. Chemical screenings.
Carey, The Phillips, Co.	Lennoxville, P.Q.	Lennoxville	Unbleached kraft pulp. Paper boards (from asbestos).
Consolidated Paper Corp.	Montreal	Shawinigan Falls	Groundwood and unbleached sulphite pulp. Chemical screenings. Newsprint.
Consolidated Paper Corp.	Montreal	Grand'Mere	Groundwood and unbleached sulphite pulp. Newsprint. Paper boards.
Consolidated Paper Corp.	Montreal	Port Alfred	Groundwood and unbleached sulphite pulp. Newsprint. Paper boards.
Consolidated Paper Corp.	Montreal	Three Rivers	Groundwood, semi-bleached and unbleached kraft pulp. Newsprint and wrapping paper. Paper boards.
Consolidated Paper Corp.	Montreal	Cap-de-la-Madeleine	Groundwood pulp. Newsprint.
Dominion Paper Co.	Montreal	Kingsey Falls	Groundwood pulp. Wrapping paper.
Donnacona Paper Co.	Quebec	Donnacona	Groundwood, unbleached sulphite and other pulps. Newsprint. Building boards.
Donohue Bros.	Quebec	Clermont	Groundwood pulp. Mechanical screenings. Newsprint.
Eddy, E. B., Co.	Hull, P.Q.	Hull	Groundwood, bleached and unbleached sulphite pulp. Newsprint, book, fine wrapping and tissue papers. Paperboards.
Ford, J. and Co.	Portneuf Station, P.Q.	Portneuf Station	Book, sanitary, special industrial, wrapping and building papers. Felt.
Fair Co. Canada	Toronto	Montreal	Paper boards.
Gaspesia Sulphite Co.	Quebec	Chandler	Unbleached sulphite pulp. Chemical screenings.
Gulf Pulp and Paper Co.	Quebec	Clarke City	Groundwood pulp. Mechanical screenings.
Howard Smith Paper Mills	Montreal	Beauharnois	Book, fine, miscellaneous fine and tissue papers. Paper boards.
Howard Smith Paper Mills	Montreal	Crabtree Mills	Groundwood pulp. Groundwood printing and specialty, book, fine, miscellaneous fine, tissue and sanitary papers.
International Fibre Board	Montreal	Gatineau	Groundwood pulp. Building boards.
Lake Megantic Pulp Co.	Lake Megantic, P.Q.	Lake Megantic	Groundwood pulp.
St. Lawrence Corp.	Montreal	Dolbeau	Groundwood and unbleached sulphite pulp. Newsprint.
Lotbiniere Pulp and Paper Co.	Danville, P.Q.	Danville	Groundwood pulp. Mechanical screenings.
Louiseville Pulp and Wallboard Mfg.	Montreal	Louiseville	Groundwod pulp. Building boards.
MacLaren, James, Co.	Buckingham, P.Q.	Buckingham and Masson	Groundwood and unbleached sulphite pulp. Newsprint. Chemical screenings.
Masonite Co. of Canada	Montreal	Gatineau	Building boards.
Meganite Manufacturing Co.	Lac Megantic	Lac Megantic	Groundwood pulp. Building boards.
Milmont Fibreboards	Montreal	Montreal	Wet machine boards.
Mohawk Corp.	Riviere de Loup P.Q.	Riviere du Loup	Groundwod pulp.
Nairn Falls Pulp Co.	Clermont, P.Q.	Clermont	Groundwood pulp.
Price Bros. and Co.	Quebec	Kenogami	Groundwood, bleached and unbleached sulphite pulp. Newsprint. Paper boards.
Price Bros. and Co.	Quebec	Riverbend	Groundwood and unbleached sulphite pulp. Chemical screenings. Newsprint.
Price Bros. and Co.	Quebec	Jonquiere	Groundwood pulp. Special industrial papers. Paper boards.
Pulp and Paper Research Institute of Canada	Ottawa	Montreal	Experimental manufacture of pulp and paper.
Quebec Fibre Products	Quebec	Industrial Centre No. 5, Quebec	Wet machine boards.
Quebec North Shore Pulp and Paper Co.	Montreal	Baie Comeau	Groundwood and unbleached sulphite pulp. Newsprint.
Richmond Pulp and Paper Co., of Canada	Montreal	Bromptonville	Groundwood pulp. Newsprint.
Rolland Paper Co.	Montreal	St. Jerome	Book and fine papers.
Rolland Paper Co.	Montreal	Mont Rolland	Book and fine papers.
Ste. Anne Paper Co.	Toronto	Beaupre	Groundwood and unbleached sulphite pulp. Newsprint.
St. Lawrence Paper Mills Co.	Montreal	Three Rivers	Groundwood and unbleached sulphite pulp. Newsprint.
St. Raymond Paper	Montreal	Chute Panet	Groundwood pulp. Newsprint. Groundwood printing and specialty papers.

(Continued on page 76)

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NORTON PULPSTONES

Making better products...to make other products better

Industry Puts More Faith In Research

(Continued from page 65)

mechanical equipment more readily.

These are a few aspects of the work. Another is aimed at coordination of woodlands research in the pulp and paper industry. The Institute issues a directory by subject of research in forestry done by Canadian pulp and paper companies. In the woodland field alone, this covers nearly 300 projects. The Institute will soon issue also another directory outlining what is being done in the forestry field in Canadian Universities.

The history of the Institute traces back to 1913 when it began as a branch of the Federal Government's Forest Products Laboratories. Later, under a deal involving the Government and the pulp and paper industry and McGill University, it became a joint enterprise of these three parties. Its work has included carrying out research in pulp and paper and training McGill graduates who would receive Ph.D. degrees for fundamental research in chemistry, having done their thesis research in problems of wood chemistry or fundamentals of pulp and paper. Some people regard this training of young scientists for the future of Canada as the most important work on which the Institute and McGill are jointly engaged.

Institute Setup

In 1950, the Institute became a nonprofit corporation with a Federal charter under the Companies' Act. The same three parties are still associated in the enterprise, more closely than before.

An important step in its history will be taken in the near future, possibly this fall or early spring of next year, when ground will be broken for a new building for the Institute. This will mean consolidation of operations which are now functioning in seven different locations.

Construction may be completed by 1957. Cost is estimated at $2,225,000, including the new building and scientific equipment. The building will be built and equipped by the Government on land owned by McGill at Senneville, Que. About $500,000 worth of scientific apparatus will be transferred from its present location in Montreal to the new building.

But the Institute isn't alone in its work. There are other groups within the industry tackling various problems. For example, the technical section of the Canadian Pulp and Paper Association.

In the summer of 1954 the Technical Section, Canadian Pulp and Paper Association, brought to the attention of the National Research Council, Ottawa, the problem of noise in paper mills. It was hoped that the council, with the co-operation of a Special Technical Section Committee on Noise Abatement, could reach a solution to this increasingly serious problem. This has been accomplished.

The National Research Council assigned the problem to the Applied Physics Branch which tackled the problem from three angles.

—Each of the companies represented on the Committee has contributed complete information (including confidential data) of past activities in this respect within their companies. In addition, sufficient information was gathered from other laboratories, patent literature, etc., so that a positive approach to the problem could be made.

—The National Research Council has developed a highly effective cover-type ear protector in an effort to provide effective protection for the worker, until such time as the lengthy and sustained effort required to eliminate the noise. Research Council made six pairs and then issued them, three pairs at a time, to six of the paper mills represented on the Committee so that they could be tested under mill conditions. The mills ranged from Powell River in the West to Anglo-Newfoundland in the East. Of some fifty people who tested these ear covers, for periods of from one to six shifts:

—100% reported that they were highly effective.

—92% commented on their excessive weight.

—70% commented on the accompanying heat and/or perspiration.

—70% found them bulky.

—30% found intelligibility improved.

—40% found them acceptable "as is."

—48% agreed that they would wear them if the above criticisms were overcome.

—Only 4% indicated that they would not wear them.

The comments made encouraged the National Research Council to redesign the ear covers to overcome the three outstanding faults. The second design has most of the dangerous protrusions removed, a 40% reduction in weight, cups one half the volume of the first ones, and an improved appearance. It was felt that this weight reduction was as large as is practicable for minimum loss in efficiency. An Ottawa company will produce 100 pilot models prior to full scale production. The time required for commerical production is not yet known, but limited numbers

(Continued on page 76)

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speaking of pitch control

If Mark Twain had *made* paper instead of writing on it, he probably would have written his famous remark about the weather something like this: "Everyone talks about pitch, but nobody does anything about it!"

He would have been right, too—in his day. But modern paper mills can control this costly nuisance through the use of phosphates. These, when properly used, not only control pitch throughout the entire process from beater to calendar stack, but reduce corrosion and slime; disperse dyes and fillers and usually reduce the amount of alum required. The amazing part is that phosphates do *all* these *inexpensively!*

Erco engineers will be pleased to show you how to control pitch in your mill even to the economical reclaiming of stock from a Swenn Peterson Saveall!

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The Export Picture in Detail

PULP AND PAPER EXPORTS 1954

	Total Exports Tons	Total Exports Value	To U.S.A. Tons	To U.S.A. Value	To Other Countries Tons	To Other Countries Value
PULP—						
Sulphate — Kraft	844,759	$103,725,025	706,107	$ 88,579,586	138,652	$ 15,146,339
Bleached	639,804	84,721,957	572,338	75,415,443	67,466	9,306,514
Unbleached	204,955	19,003,968	133,769	13,164,143	71,186	5,839,825
Sulphite — Bleached	704,013	107,537,038	464,554	70,332,540	239,459	37,204,498
Dissolving	368,527	65,176,985	218,478	39,215,688	150,049	25,961,297
Paper Grades	335,486	42,360,053	246,076	31,116,852	89,410	11,243,201
Sulphite — Unbleached	350,839	38,045,958	261,826	28,126,550	89,013	9,919,408
Strong	230,179	24,427,267	195,448	20,915,961	34,731	3,511,306
News	120,660	13,618,691	66,378	7,210,589	54,282	6,408,102
Total Chemical	1,899,611	$249,308,921	1,432,487	$187,038,676	467,124	$ 62,270,245
Mechanical	223,899	15,988,522	188,721	13,789,544	35,178	2,198,978
Bleached	52,211	3,830,571	52,211	3,830,571	.....	.....
Unbleached	171,688	12,157,951	136,510	9,958,973	35,178	2,198,978
Other Pulps	37,923	5,307,245	37,923	5,307,245	.....	.....
Screenings	10,652	299,938	10,652	299,938	.....	.....
Chemical	4,154	144,370	4,154	144,370	.....	.....
Mechanical	6,498	155,568	6,498	155,568	.....	.....
Total Miscellaneous	272,474	$ 21,595,705	237,296	$ 19,396,727	35,178	$ 2,198,978
TOTAL PULP	2,172,085	$270,904,626	1,669,783	$206,435,403	502,302	$ 64,469,223
NEWSPRINT PAPER—						
Standard	5,521,530	635,669,692	4,866,649	558,633,675	654,881	77,036,017
Mutilated	15,895	1,020,448	11,436	770,949	4,459	249,499
TOTAL NEWSPRINT	5,537,425	$636,690,140	4,878,085	$559,404,624	659,340	$ 77,285,516
OTHER PAPER—						
Wrapping — Coated	43	22,942	12	3,638	31	19,304
Wrapping — Kraft	10,788	1,842,567	4,050	687,546	6,738	1,155,021
Wrapping — n.o.p.	2,874	468,267	2,000	273,533	874	194,734
Book	26,739	4,540,362	22,694	3,598,065	4,045	942,297
Bond & Writing	8,904	2,287,799	26	11,031	8,878	2,276,768
Paperboard — n.o.p.	25,571	3,113,557	16,346	1,770,245	9,225	1,343,312
Roofing & Building	1,534	100,285	834	51,467	700	48,818
Building and Insulating Board	17,584	1,476,704	12,927	1,117,304	4,657	359,400
Waste Paper	24,568	929,105	23,961	903,887	607	25,218
Pulpwood for Wallboard	15,998	1,640,490	15,548	1,587,863	450	52,627
Tissue	1,035	279,768	.....	.....	1,035	279,768
Toilet	2,009	372,742	.....	.....	2,009	372,742
TOTAL OTHER PAPER	137,647	$ 17,074,588	98,398	$ 10,004,579	39,249	$ 7,070,009
PAPER PRODUCTS — (a)						
Bags, Boxes & Cartons	.....	419,497	.....	49,874	.....	369,623
Bags	.....	209,104	.....	4,874	.....	204,230
Boxes & Cartons	.....	210,393	.....	45,000	.....	165,393
Hangings or Wall Paper	.....	865,731	.....	832,392	.....	33,339
Hanging not Printed	.....	287,085	.....	287,085	.....	.....
Writing — n.o.p.	.....	90,557	.....	34,391	.....	56,166
Handkerchiefs — Tissues	.....	7,049	.....	919	.....	6,130
Napkins & Towels	.....	31,548	.....	1,615	.....	29,933
Blank Books	.....	86,820	.....	690	.....	86,130
Paper — n.o.p.	.....	157,700	.....	59,692	.....	98,008
Other Paper Products	.....	227,479	.....	147,250	.....	80,229
TOTAL PAPER PRODUCTS	.....	$ 2,173,466	.....	$ 1,413,908	.....	$ 759,558
GRAND TOTAL	7,847,157	$926,842,820	6,646,266	$777,258,514	1,200,891	$149,584,306

(a): Weight of paper products is unavailable.
n.o.p.: Not otherwise provided for.
Source: Dominion Bureau of Statistics.

Expand Dissolving Pulp Uses

World of Wood Becomes Wider, More Varied

The world of wood is wide and varied. Scientific research has spawned new industries from Canada's heavily forested areas. Some of the most interesting applications of wood and capturing much of the public imagination results from a wood product known as dissolving pulp.

Dissolving pulp is a highly refined chemical pulp, usually sulphite, which is used to make synthetic textile fabrics, Cellophane, photographic papers, plastics, tire cord. The application of wood fibres in these fields is called cellulose chemistry.

Originally, the spark in its development was development of rayon. This textile is still the most important end use of dissolving pulp but new ideas are being developed as the budding industry strives for diversification.

Because of the difficulties which the textile industry has undergone and the development of other man-made fibres, dissolving pulp has encountered shrinking markets.

Output of Canadian mills has dropped some 7% in the first seven months of this year from the same period last year. However, historically production of dissolving pulp has shown an upward trend. Since 1944, Canadian output has almost doubled.

Major market is the U. S. Canada retains retains only some 13% of its production with the remainder exported.

But dissolving pulp remains an important part of the pulp and paper industry. Value of production from seven mills runs at about $80 millions a year with exports bringing in some $65 millions to Canada.

Well over half of dissolving pulp is used to make rayon both viscose and acetate. This first of the man-made textiles is combined with natural textiles in a variety of fabrics and products. One of the most recent developments in the use of rayon has occurred in the rug industry.

Rich looking rugs made of rayon staple fibre combined with wool and cotton are being sold to middle - income groups. Prices have been cut because of the use of rayon and less expensive wool. However, even in this field rayon faces competition from nylon which is being used in combination with wool and cotton.

The automotive industry in recent years has provided a big market for dissolving pulp. Rayon cord, coated and pressed into rubber sheets became the base for tires. Its strength helped put more zip and safety into modern automobiles. But here too nylon is giving it increasing competition. Tire cord accounts for some 15% of dissolving pulp use.

Cellophane is an important end product of this highly treated wood product, also accounting for about 15% of production. This is one field where it should continue to grow as the use of the clear film increases. In recent years, cellophane has been used to an increasing extent to make packages attractive and to protect goods from handling.

But the people who make dissolving pulp and its end products are far from dismayed by competition in the textile field. They are confident that research will find many new uses. In recent years several new products have been developed which are carving out substantial markets.

The lowly sponge has been superseded by wood. Inexpensive cellulose sponges are the rule in Canadian households. The bathtub can be cleaned, they can be used as face cloths, to wash the car and a variety of other ways. This development is at the consumer level and is appreciated by the general public.

Celanese Corp of America's subsidiary, Canadian Chemical & Cellulose, is looking for a significant increase in future business as a result of the development of Arnel, a new synthetic textile in the acetate family. Canadian Celanese, Canada's major acetate producer, is also hoping to build new businesses with a similar fibre, Trilan.

A use of which the public is only dimly aware involves special papers made from dissolving pulp. When impregnated with latex, these papers look like leather, feel like leather and stand up to considerable wear. Imitation leather luggage, handbags, billfolds, brief cases, camera cases and shoe inner soles are made out of this material.

Another new development in putting wood to work was announced recently by Rayonier Corp., which controls Alaska Pine & Cellulose in Canada. A $1-million plant is being built at Vancouver to produce for the first time in Canada a product used as a dispersant for oil well drilling muds and replaces a natural product which is imported. The new product is made from tree chemicals other than cellulose.

Canada's mushrooming oil industry is expected to become a major consumer. The product is a water-soluble free-flowing reddish-brown powder. It is being used to control drilling muds which lubricate a drilling tool, bring up cuttings and seal the hole against gas and oil pressure.

Research in the uses of chemical cellulose and other wood products is going forward at an increasing pace. Like other industries based on chemistry and science, sales and research have gone hand in hand. Products must be developed in the laboratory before sales can be increased to any great extent. The work of the laboratory is unending and there are indications that many new products and refinements of existing ways of using dissolving pulp are ready to be offered manufacturing industry and the public.

Powell River Co. Plans More Power

Fall of 1956 is the target date for installation of a 20,000 kva, 6,600-volt, 50/60 cycle frequency changer in Powell River Co.'s Powell River, B.C., plant.

The frequency changer is being built for B. C. Electric by English Electric. It will enable the B. C. utility to sell 60-cycle power to Powell River, which will convert it to 50 cycles for use in its own system.

The company has outgrown its own power generating facilities. The new setup also will provide a source of emergency supply for the Powell River area.

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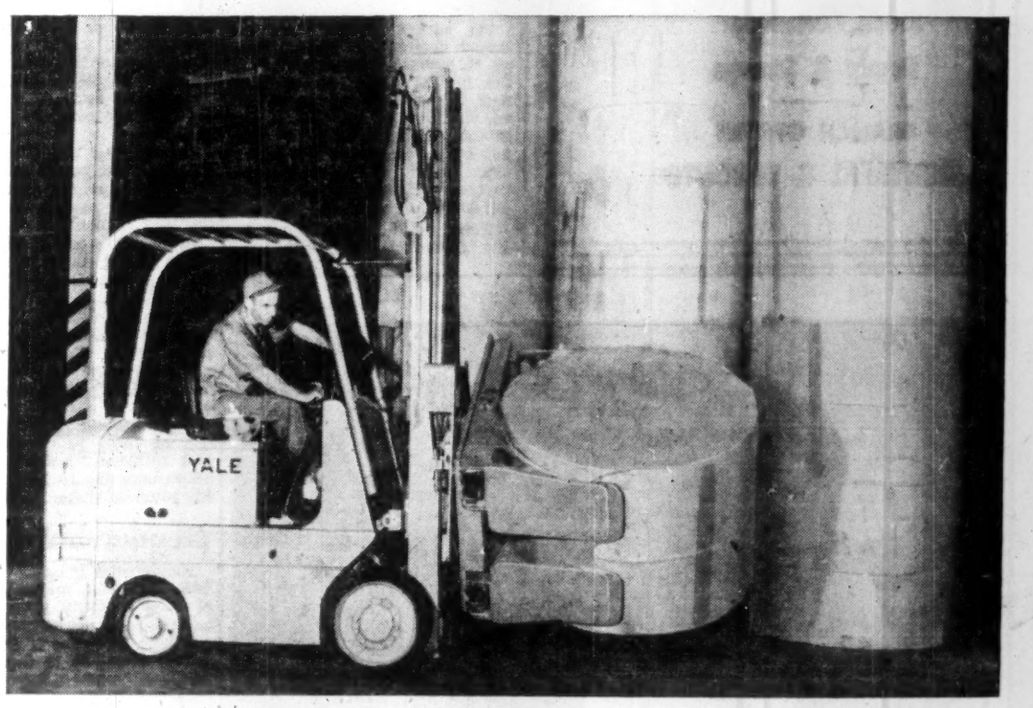

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Reports on the Paper Box Firms

Bathurst

Bathurst Power & Paper Co. produces a substantial amount of corrugated shipping containers and similar products from kraft liner and corrugated board through subsidiaries.

A new container division has been formed by the company which will correlate the operations of Canadian Wirebound Boxes Ltd. which was acquired last year, with the company's other two subsidiaries, Kraft Containers Ltd., of Hamilton, and Shipping Containers Ltd. of Montreal and St. Laurent. The new division will market industrial shipping containers under the name Bathurst Containers.

Under the terms of the offer to Canadian Wirebound Boxes, the company purchased at $64 per share all of the Class "A" shares and common shares deposited with the Chartered Trust Co. up to the close of business Nov. 2, 1954. It has been stated the offer had been accepted by all holders of common stock and holders of over 99% of the Class "A" stock. Funds for the purchase were provided out of working capital.

Including three months' consumption by Canadian Wirebound Boxes, 63,261 tons of container boards were converted into corrugated fibre board boxes and 2,978,005 ft. of lumber and veneer were used in production of wire bound boxes and allied products by the Canadian Division.

Both volume and value of shipping containers were greater than the previous year. Excluding the properties of Canadian Wirebound Boxes, valued at $5,705,360 at Sept. 30, 1954, plus additions at cost, capital expenditures totaled $1,992,985. This included cost of 195,000 sq. ft. plant addition at St. Laurent, Que.

For further details on Bathurst see the specialty paper section of this report.

Can. Wirebound

Canadian Wirebound Boxes, Ltd., a wholly owned subsidiary of Bathurst Power and Paper Co., manufactures wire bound boxes and crates of various types, also corrugated cartons single face rolls, pads, liners and partitions, plywood cases, nailed boxes and bottle boxes.

Plants are at Toronto and Montreal. Bathurst's offer through which it acquired the company was to purchase all the Class "A" and common shares of Canadian Wirebound at $64 per share (see Bathurst above).

Canadian Wirebound declared an extra dividend of 85c per share common stock, payable along with the regular annual dividend of $1 per share on Jan. 1, 1955. Net profit of $584,735 for the year ended April 30, 1954, was 5.7% higher than previous fiscal year's net of $553,077. Total assets were $8,134,251.

Capitalization consisted of $700,000 2¾-3½% serial debentures due 1954-67; 50,915 Class A $1.50 cumulative participating redeemable n.p.v. shares; 40,000 common $1 noncumulative n.p.v. shares.

Corrugated Paper

Corrugated Paper Box Co. manufactures corrugated and solid fibre shipping containers and folding cartons. Distribution of the company's products are made throughout Canada by its own sales force. Company's plant is at Leaside, Ont. and has floor space of 112,000 sq. ft.

Through its subsidiary, Hilton Brothers Ltd., company owns a plant in Winnipeg.

A new plant in Calgary was completed by Hilton Brothers in Oct., 1954. Its facilities are in excess of its present requirements, thus permitting economical growth.

During 1954, Hinde & Dauch Paper Co. of Canada acquired 100% control of the company through an offer to purchase the company's shares at $17 per share.

Consolidated net profit for 1953 was $368,603, 12.8% higher than consolidated net of $326,635. Not included is a profit of $1",152 on sale of securities in 1953.

Earnings were equivalent to $82.09 per preferred share ($72.73 i the previous year), and $1.47 ($1.29) on the common. Dividends were $5 ($5) per preferred share and 50c (50c) per common share.

Financial results of the company are now included in the yearly results of the parent company.

Dom. Containers

Dominion Containers Ltd. manufactures corrugated packing cases, folding and set-up boxes, displays and transparent boxes.

Its subsidiaries include Standard Paper Box Mfg. Ltd., and King Paper Box Mfg. Ltd., both in Montreal.

During 1954 company completed its new corrugated plant in Montreal which came into production in April, 1954. This will provide the expanded operating facilities made necessary by the continuing growth in all divisions of production. The construction and expansion have been financed entirely from the operating funds of the company.

Net earnings for 1954 amounted to $837,591, down from the 1953 figure of $871,914. Consolidated net profit was $314,737, down from consolidated net of $364,215 in previous year.

The decrease in consolidated net profit reflects increased provision for depreciation, and the balance a portion of the nonrecurring cost of moving the corrugated plant.

Sales volume increased approximately 9% during 1954 as compared with 1953.

Gair Co.

Gair Co. Canada is a wholly owned subsidiary of Robert Gair Co., New York. Company manufactures and sells various corrugated and fibre shipping containers and folding paperboard cartons. It manufactures paperboard for its own use.

Other products manufactured by Gair Co. and its subsidiaries include counter display cartons, cracker caddies, paper specialties, gummed tape and mechanical pulp. Properties of operating divisions of the company include three paperboard mills in Toronto and one in Montreal, two pulp mills at Frankford and Campbellford, Ont., and folding carton plants at Toronto, Montreal, Winnipeg and Edmonton. There are shipping container plants at Toronto, London and Hamilton.

To meet heavy demand and provide for the future, the Toronto carton division was enlarged during 1954 by a 100,000 sq. ft. extension for expansion of the folding carton operation. A new five-color press was installed, the first of its kind in any carton printing operation in Canada or the United States, with a capacity of 5,500 printed sheets per hour. Plans call for another 100,000 sq. ft. addition.

Total capital expenditures for the Canadian operations were more than $1.8 millions during 1954.

Net sales in 1953 amounted to $23,852,809, 7.8% higher than net sales of $22,128,592 in 1952. Tonnage sales to customers of all products amounted to 109,397 tons, up from 99,637 tons in the previous year.

Financial results of the company are now included in the yearly results of the parent company.

Hinde & Dauch

Hinde & Dauch Paper Co. of Canada manufactures jute liners, wrapper and header stocks, and a wide variety of paperboards at its paper mills, and corrugated and solid fibre boards, boxes, etc., at its box factories.

Company is controlled by Hinde & Dauch Paper Co., Ohio, which holds a majority of the common stock. Plants are located at Toronto, Etobicoke, Trenton, Chatham and Montreal. The plant at Toronto contains two paperboard machines and two box-making divisions.

The Etobicoke box plant provides approximately 300,000 sq. ft. for the manufacture of corrugated shipping cases. It is located about five miles west of the Toronto plant, and was completed in 1954 at a cost of some $3 millions. Its capacity is 75,000 sq. ft. of corrugated paper products monthly.

The Trenton, Ont., plant produces strawboard for corrugating purposes and lightweight chipboards. The plant at Chatham, Ont., produces boxes, and operations at Montreal are confined to fabrication of solid fibre and corrugated shipping boxes from the paperboards produced at Toronto and Trenton. The new box factory at Montreal was completed in July, 1952.

Company is increasing capacity of both its Toronto and Trenton plants.

In 1954 company purchased all the outstanding capital stock of Martin-Hewitt Containers Ltd. in Peterborough, Ont., which manufactures corrugated shipping cases. Company also acquired all of the common stock of Corrugated Paper Box Co. through an offer to purchase the shares at $17 per share.

The fiscal year-end of the company was changed to Oct. 31, 1954, and the accounts were consolidated to include the accounts of Martin-Hewitt Containers Ltd. and Corrugated Paper Box Co., accounts of the latter are from Sept. 1, 1954, only.

Consolidated net profit for the 10 months ended Oct. 31, 1954, was $1,620,157 compared with $1,755,937 for the 12 months ended Dec. 31, 1953. Earnings per share were equal to $4.50 ($5.85 in 1953), based on the number of shares now outstanding, and paid $1.40 in both years.

Paperboard production for the 10 months ended Oct. 31, 1954, amounted to 99,632 tons, while production for the calendar year 1954 was 100,811 tons. Both these figures are records. Production for the 1954 calendar year was 98,418 tons.

Consolidated net sales for the 1954 10-month period totaled $18,545,302, compared with $21,364,337 for the parent company in the 1953 12-month period.

Additional working capital was raised during the year by issue of an additional 60,000 common shares, through an offering of rights to shareholders to purchase one additional share for each five shares held, making available $2,550,000; and an issue of $2 millions 3½% 10-year serial debentures.

Capitalization outstanding at end of fiscal year consisted of $3.8 millions 3¼%-3½% serial debentures due 1955-64, and 360,000 common shares.

Hendershot Paper

Hendershot Paper Products Ltd., Hamilton, makes a variety of paper products including containers and corrugated paper products. Company is giving particular attention to design, with its opportunities to improve products and create new packaging techniques.

In 1954 company had a net profit of $127,229. This was 38.4% higher than net of $91,929 in 1953. Earnings were equivalent to $50.89 per 5% preferred share ($36.77 in 1953) and $3.82 ($2.65) per common share. Dividends amounted to $5 ($5) in the case of the preferred and a total of $1.25 ($1.25) for the common.

The year showed a substantial improvement in tonnage produced as against any former years operations, resulting in a marked advance in dollar volume of sales and profits. The demand for both shipping containers and single-face specialty products was unusually steady throughout the year, due mainly to the particular class of accounts which company enjoys. Buying was generally on a short term delivery basis and the results achieved proved company's ability to maintain its position in a highly competitive market.

The decrease in net current assets from $241,912 in 1953 to $149,351 in 1954 was occasioned by the purchase and improvement of an industrial property. The buildings acquired with this site have made it possible to consolidate all of company's warehousing, an item that had entailed considerable additional expense in the past. The property is situated close to the main manufacturing plant and is well serviced by rail and transport facilities. Being in the centre of Hamilton's industrial area it gives company an opportunity to expand its present operation whenever it may prove necessary.

It is felt that the volume of business this year should show a nominal improvement over that of the previous year, said Vice-President J. C. Colclough.

Capitalization outstanding at Dec. 31, 1954, consisted of 2,500 par $100 5% cumulative redeemable preferred shares and 300,000 npv common shares. Working capital totaled 142,502 ($234,644 a year earlier), and earned surplus was $233,843 ($155,554)

Maritime Paper

Maritime Paper Products Ltd. is a holding company with one wholly owned subsidiary, Industrial Containers Ltd.

The latter is engaged in fabricating cartons and other corrugated products for industrial uses.

Capitalization includes an authorized 8,750 5% $20 par cumulative preference shares of which 6,403 shares are outstanding and an authorized 15,000 n.p.v. common shares of which 15,000 shares are outstanding.

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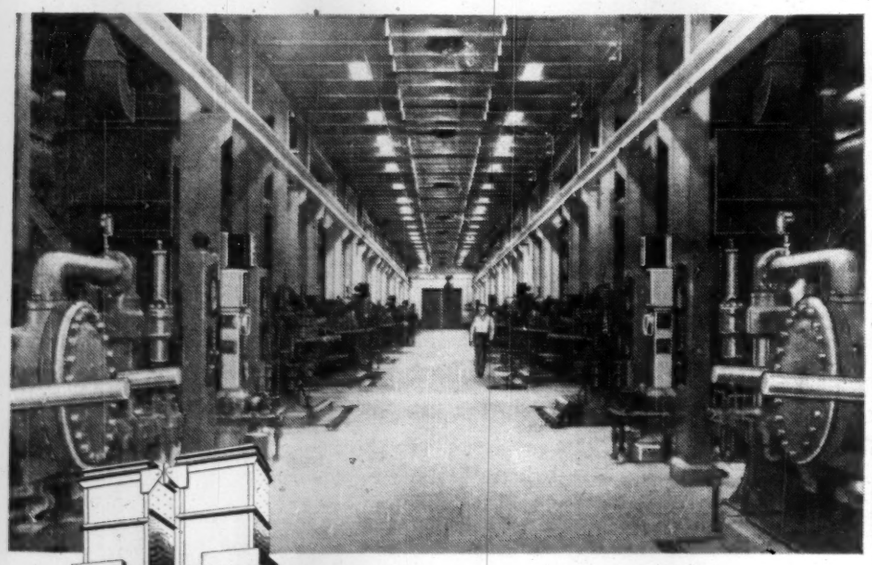

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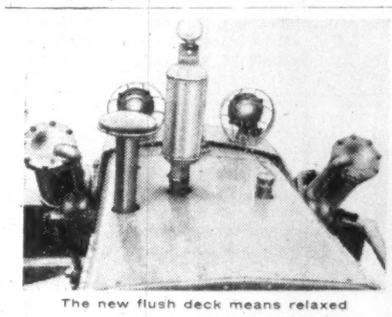

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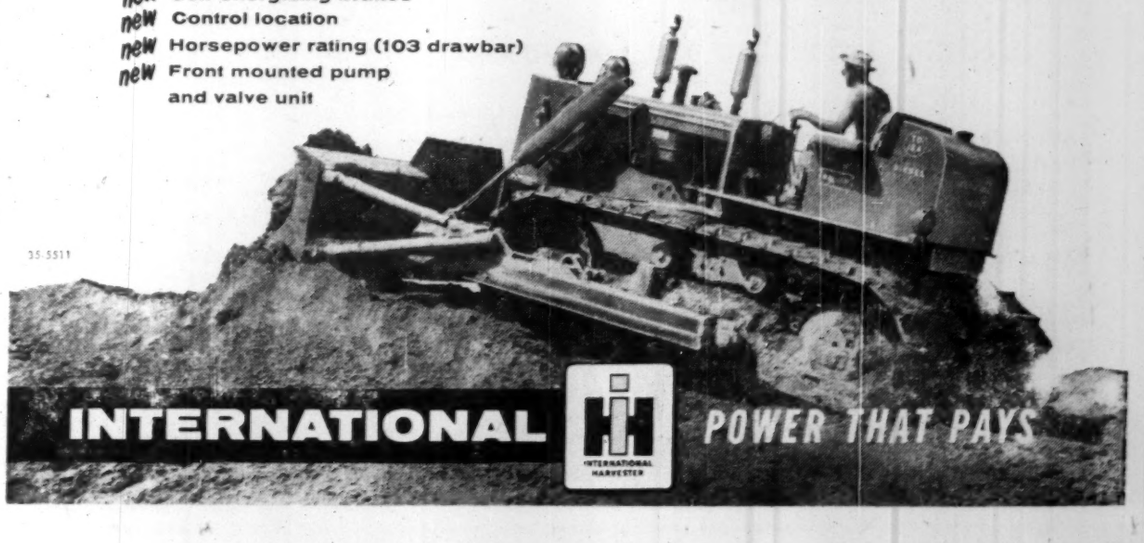


PULPWOOD is ground into small chips at the mills. Spruce, balsam and western hemlock are the most common types of wood used. But the mills are using an increasingly large number of tree species now, particularly hardwoods, as they have found ways of incorporating them in their processes. Some mills use 20 species and also the bark and branches in the pulping process. Some operate largely on sawmill waste. The result: more pulp per acre of woodland.

What's Being Done to Conserve Bush

(Continued from page 67)

school at Duchesnay. Intensive training is given their men in this area, similar to that given in other provinces. One of the problems which perennially besets the Department is the comparatively low salary paid to provincial forest rangers, in comparison with the rising standards of wages in Quebec's growing industrial development, one of the most rapid in the country. The turnover in ranger staff is one of the problems of the forest protection system. Many people say, more money must be reinvested in forest protection, in relation to it's known values.

New Brunswick has an effective forest fire prevention organization centred in the Department of Lands and Mines under Chief Forester G. L. Miller. The province is divided into five districts under district foresters with good ranger staffs, and detection systems employing the usual towers, communication systems and fire fighting equipment.

One of the strongest developments in New Brunswick is the close co-ordination between government and industry fire fighting organizations. Leaders of both groups have worked together for years to develop the closely integrated system and the result is efficient fire prevention and suppression activities.

In New Brunswick, and even more so in Nova Scotia, the percentage of privately owned forest land is greater than in the provinces to the west. The responsibility of the provincial departments for fire prevention is complicated by the greater area of forest land in private ownership, over which they have no direct jurisdiction. However, the situation in these areas is of advantage otherwise. Greater development of roads, and more local population available to assist in fire prevention if the need should arise, is helpful in privately owned sections.

In Nova Scotia the department of Lands and Forests under Deputy Minister Dr. G. W. I. Creighton is organized similarly to the corresponding department in New Brunswick. Problems are similar. One large pulp mill, Mersey Pulp and Paper at Liverpool, has about 900 square miles of freehold land while the other freehold forest land is in smaller ownerships.

Nova Scotia has developed an effective system of maintaining and servicing its forest fire equipment, replacing any used or worn equipment as rapidly as it becomes unserviceable.

The province has effective forest legislation under "The Small Tree Conservation Act." This prohibits cutting of trees under a minimum diameter, and requires inspection and approval by provincial foresters of forestry operations. By this means, officials of the department become more intimately acquainted with forest owners. The result is increased co-operation in protection on the part of the citizens of this province.

Prince Edward Island has no regular Department of Lands and Forests, specifically devoted to the forest resource. Woodlots in this province are practically all privately owned. Foresters in the Department of Industry and Natural Resources are charged with problems of fire protection, and assistance to owners with advice on managing and marketing of forest products. Recently, demands for pulp wood rapidly increased the amount of cutting in woodlots. This has aggravated the fire and other hazards to timber.

In Newfoundland, the bulk of the forested area is under license to the two large pulp and paper companies, Bowaters Pulp & Paper Mills Ltd., and the Anglo-Newfoundland Pulp & Paper Co. These two companies and the provincial Department of Mines and Resources each contribute one third to a fund which operates the Newfoundland Forest Protection Association. With a staff of rangers, fire fighting equipment, motor speeders on the Canadian National Railways narrow gauge line, and with good publicity, this organization helps to prevent and combat forest fires.

Some Dissension

Despite these efforts, there is still a belief in some quarters that the forest has not received its full quota of research and development money, time and effort. The argument is based on the claim that there is a tendency to toss the problem back and forth between government and industry.

Meanwhile, the forest wealth suffers. This is the argument of some:

Most forest land in Canada is owned by the Crown. In the case of the 10 provinces this means the provincial forest authorities. In the Northern Territories, the lands are property of the Federal Government.

The forest industry generally, with the exception perhaps of those who own freehold land, feel that the Government should have a major responsibility for forest protection, development and management.

Forest industries are leaseholders entitled to remove the growing crop. However, all permanent forest industries spend large sums of money to protect their limits despite the insecurity of tenure.

Government viewpoints, the argument runs, are frequently dictated by departmental budgets. These are not large and so the department staffs operate with much less than perhaps they wish in forest protection equipment, funds for study and research, or money to develop and make accessible forest areas suitable for management and production.

By a curious but established custom, some say, forests and lands departments do not even obtain the full revenue from the forest resources under their management. They must return income from resources to a general fund which goes for other activities. This was particularly true in the early days when the sales from timber, furs, game and other products of the forest were the major income of many government departments. This resource money was used for the development of roads, schools, canals, highways, hospitals and other public institutions, while the forest received only minor fractions of this income for protection and perpetuation.

They claim that another curious attitude is the refusal of the Federal Government to consider tax money accruing from forest industry as being earmarked for the management of those forests. The Government at Ottawa, while obtaining hundreds of millions of dollars in corporation taxes from forest industry firms, is charged only with the one function of forest research. The relatively small budget for the forestry branch is voted without relation to the taxable income from forest industry in the Canadian economy. In fact, the federal department charged with responsibility for forests does not even have the name "forestry" in its title. In its latest labeling it has become the Department of Northern Affairs and National Resources.

One improvement in this situation was "The Canada Forestry Act" in 1950 which provides authority for expenditures by the federal department in forest management, development, protection and investigational work in any part of the country, through co-operative agreements with the provincial departments. So far this Act, which has the usual weakness of requiring departmental budget approval for increased expenditure, has only been used for forest inventory and in one or two minor cases for forest nursery production, proponents of increased federal aid say.

More Money Needed

The major problem involved is increased federal assistance to the provinces in forest fire prevention. In close conjunction with this, increased money is needed for development of access roads, for operation and management of forests, including protection. This could be undertaken under the terms of the existing legislation to the great advantage of the forest resources and the industry dependent upon them, it is said.

A report made public by the Canadian Forestry Association in 1949 was entitled "the Case for Forestry in Canada." This data is now being brought up to date by a research staff working for the Association. The data at the time of its publication is still considered essentially accurate and shows that only about one tenth as much money is spent by the Federal Government and the provinces in research on forests and forest products, in relation to the size of the industry, as is spent on comparable research in agriculture.

SUMMARY OF FOREST-FIRE LOSSES IN CANADA, 1954
Compared with 10-year Average, 1944-1953

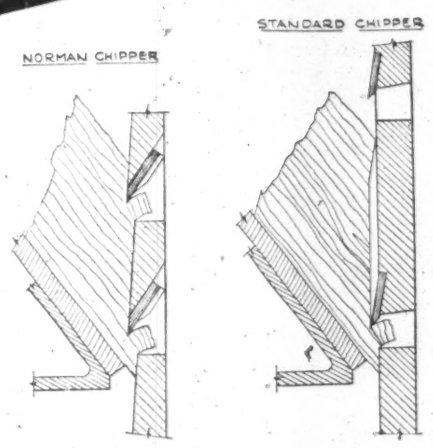
		Provinces (1) Annual Average 1944-1953 (2)	Provinces (1) Year 1954 (3)	Yukon and Northwest Territories Year 1954
Fires under 10 acres	number	4,051	2,573	49
Fires 10 acres and over	"	1,383	449	63
Total number of fires		5,434	3,022	112
Area burned—				
Merchantable timber	acres	298,441	72,136	7,736
Young growth	"	401,853	50,677	93,535
Cut-over lands	"	226,198	38,981	3
Non-forested lands	"	661,069	103,832	1,030,315
Total area burned	"	1,587,561	265,626	1,131,589
Size of average fire	"	292	88	10,103
Merchantable timber burned—				
Saw timber	M ft.b.m.	451,243	46,474	395
Small material	cords	1,185,702	834,055	10,607
Estimated values destroyed (4)—				
Merchantable timber burned—				
Merchantable timber	$	1,759,368	1,246,176	20,945
Young growth	$	1,045,941	158,232	187,070
Cut-over lands	$	204,869	45,895	3
Other property burned	$	1,090,065	217,382	70,907
Total damage	$	4,100,248	1,667,685	278,925
Actual cost of fire-fighting	$	2,133,986	931,231	37,916
Total damage and fire-fighting cost	$	6,234,229	2,598,916	316,841
Other fire protection costs (5)	$	.....	15,205,966	127,906
Area under protection	sq. miles	.....	1,106,694	380,000

FOREST FIRES IN CANADA, 1954, BY CAUSES
Compared with 10-year Average, 1944-1953

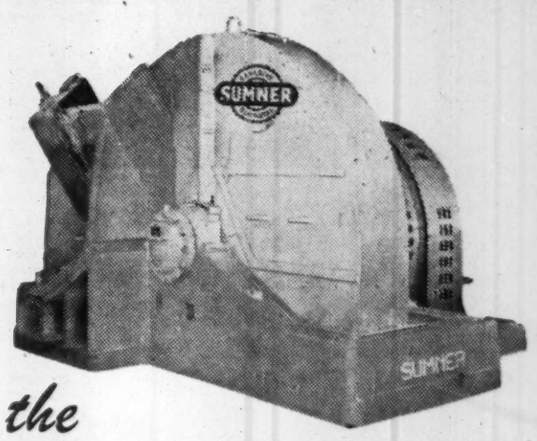
	Provinces (1) Annual Average 1944-1953 (2) No.	%	Provinces (1) Year 1954 (3) No.	%	Yukon and Northwest Territories Year 1954 No.	%
Camp-fires	854	16	580	19	35	31
Smokers	1,221	22	515	17	12	11
Settlers	592	11	251	8	..	..
Railways	604	11	329	11	..	..
Lightning	964	18	447	15	16	14
Industrial Operations	252	5	148	5	5	4
Incendiary	146	3	99	3	..	..
Public Works	78	1	53	2	..	..
Miscellaneous Known	463	8	451	15	3	3
Unknown	260	5	149	5	41	37
Total	5,434	100	3,022	100	112	100

(1) Includes federal lands within provincial boundaries.
(2) Does not include Newfoundland.
(3) Newfoundland included, except for cost of fire-fighting.
(4) Wood values are based on prevailing stumpage rates only; damage to soil, site quality, stream flow regulation, wild life, recreational and similar values is not included.
(5) Estimated charge for new equipment, improvements, maintenance, salaries, etc., for year 1953.

Doubles CHIP PRODUCTION



Sumner's NORMAN CHIPPER

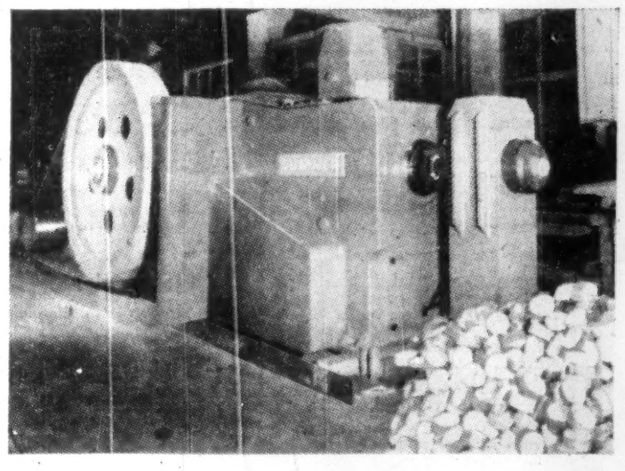


the NORMAN DISC

The Norman Disc surface is a special patented design which allows continuous cutting of the wood and maintains a very even chip length.

The curved surface between the knives of the Norman Disc allows the material that is being cut to be in constant contact with the disc face.

This allows two or more knives to cut an equal length of chip at the same time, providing more even chip lengths, and nearly doubling chip production.



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High pressure process does not require binder. Produces briquets 2", 3", or 4" in diameter, of any length.

Glomera is completely automatic. Special Swiss design with unique vibrators and time switches gives uniform, continuous flow of briquets regardless of irregular supply of raw material.

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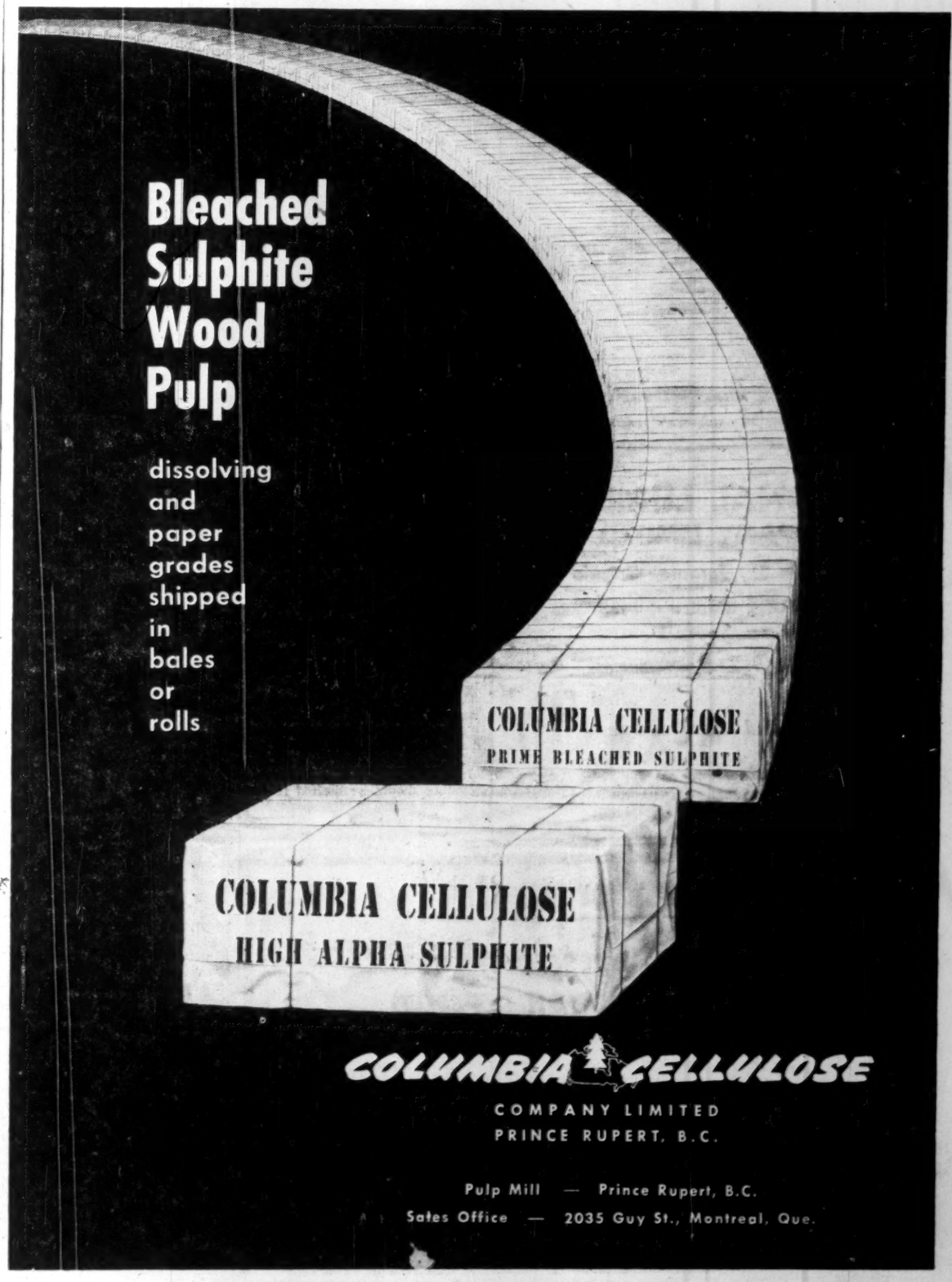

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CANADA'S rushing rivers provide not only most of the power required to run our pulp and paper mills, but also they act as natural conveyor belts to carry pulpwood from the forest to the mill. The mills also consume large quantities of water in processing the wood. Above, a logger frees logs caught in the rocks along a "chute" stream.

Canada's Pulp and Paper Mills

(Continued from page 72)

COMPANY	HEAD OFFICE	MILL	PRODUCTS
St. Raymond Paper	Montreal	Desbiens	Unbleached sulphite pulp. Chemical screenings.
Soucy, F. Flo., Reg'd	Chemin du Lac	Chemin du Lac	Groundwood pulp.
Sterling Paper Mills	Kingsey Falls	Kingsey Falls	Groundwood pulp, wrapping papers.
Wilson, J. C.	Montreal	St. Jerome	Groundwood pulp.
Wilson, J. C.	Montreal	Lachute	Sanitary and wrapping papers.
Yamaska Mills, Inc.	St. Pie, P.Q.	St. Pie	Building boards.
New Brunswick			
Bathurst Power and Paper Co.	Bathurst, N.B.	Bathurst	Groundwood, mechanical screenings. Unbleached sulphite and kraft pulp. Chemical screenings. Paper boards.
Fraser Companies	Edmundston, N.B.	Edmundston	Groundwood, bleached and unbleached sulphite pulp. Building papers. Paper boards.
Fraser Companies	Edmundston, N.B.	Newcastle	Unbleached kraft pulp.
Irving Pulp and Paper	Fairville, N.B.	Fairville	Unbleached sulphite pulp, kraft.
New Brunswick International Paper Co.	Montreal	Dalhousie	Groundwood and unbleached sulphite pulp. Newsprint. Paper boards.
Restigouche Co.	Edmundston, N.B.	Atholville	Bleached sulphite pulp. Chemical screenings.
St. George Pulp & Paper Co.	St. George, N.B.	St. George	Groundwood pulp.
Trafalgar Mills	South Nelson	South Nelson	Building boards.
Nova Scotia			
Halifax Power and Pulp Co.	Sheet Harbour, N.S.	Sheet Harbour	Groundwood pulp.
Le Have Pulp Co.	New Germany, N.S.	New Germany	Groundwood pulp.
Mersey Paper Co.	Liverpool, N.S.	Brooklyn	Groundwood and unbleached sulphite pulp. Newsprint.
Minas Basin Pulp and Power Co.	Hantsport, N.S.	Hantsport	Groundwood pulp. Building papers. Paper boards.
Newfoundland			
Anglo-Newfoundland Development Co.	Grand Falls, Nfld.	Grand Falls	Groundwood and unbleached sulphite pulp. Newsprint.
Anglo-Newfoundland Development Co.	Grand Falls, Nfld.	Bishop's Falls	Groundwood pulp.
Bowater's Newfoundland Pulp and Paper Mills	Corner Brook, Nfld.	Corner Brook	Groundwood and unbleached sulphite pulp. Newsprint.

Source: Dominion Bureau of Statistics; Canadian Pulp & Paper Association.

Industry Puts More Faith In Research

(Continued from page 72)

will be offered to industry as they become available.

—To reach a tentative solution to the problem of couch noise, a small model of a suction roll was made at the National Research Council for intensive study. Although the model is only one foot in diameter with a two-inch perforated face, it produces noise comparable in level to a commercial couch and has provided data used for the design of a silencer, giving 15-30 db. reduction of noise level on the laboratory model. On full scale test in mill operation gave encouraging results — reducing noise effectively.

Another type of silencer, utilizing the same principle but differing in design and applicable only to machines equipped with vacuum transfer has been tested on a conventional machine with the sheet running into the pit, with impressive reductions in noise level. A mill trial of this device on a high-speed vacuum-transfer-equipped couch at Baie Comeau has proven highly successful.

This is an outstanding example of government co-operating with industry on a fundamental research problem and achieving outstanding results. This is one of the many aspects of the work in which the technical section has been actively interested.

For a breakdown of what research is being carried out by individual Canadian companies see separate story.

A Close Look At Canada's Woods Wealth

(Continued from page 70)

The fact is that most of our forests are understocked. The land is not yielding the wood fibre crop it is capable of producing. Our problem is to so manage the forest within economic means that complete natural regeneration results and that future yields are increased. To-date, only partial answers to the problem are available.

Industry Seeks Answer

Know-how is necessary for any job and for this job forestry science has not yet provided the know-how. Research is under way and in the quest for knowledge industry is playing a full part as member of a team organized along lines completely unique in the history of Canadian research. To learn more about the regeneration problem on our best sites, a group is at work on a co-operative, long-term enquiry wherein the skills of the country's outstanding research foresters are combined in a single endeavor.

Industry is represented by Abitibi Power and Paper Co. and Ontario Paper Co. Co-operating agencies are the Research Council of Ontario, the Ontario Department of Lands and Forests, the Federal Forestry Branch, the Faculty of Forestry of the University of Toronto, and the Pulp and Paper Research Institute of Canada. If there is an answer to be found, these agencies, working together, are those most likely to find it.

How are you fixed for wood? Well, we have established that at present cutting rates we have enough to run the pulp and paper industry forever. Except for white and red pine, we have enough to last all the forest industries forever. And there is a substantial reserve for expansion. It is clear that the industry is careful in protecting the forest from fire. There is no unreasonable waste if to waste means to squander. There is dispute about the adequacy of regeneration but the weight of authority inclines to the opinion that there is being established a new forest as good as the old. Moreover, research is proceeding to find ways of providing more and better trees.

And is this situation satisfactory? Many of us in industry say that it is not. We are satisfied that we have sufficient wood for industry at present production rates, with even some to spare. We are not concerned so much about resource conservation applied to the forest as we are about resource expansion.

The forest resource will always be intact and income from it for the people of the province constitutes a guaranteed annuity forever. But to compensate for the sure eventual loss of our non-renewable resources we must plan not only for the conservation of renewable resources but for their augmentation.

This we can do with wood. We in the pulp and paper industry are not thinking of fixed sustained yields. We are planning for increased yields. We are not thinking of resource depletion. We are planning for resource expansion. We are not a dying industry facing raw material exhaustion. Our industry is very much alive, and if it can get its raw material at reasonable cost it will operate for so long as there is a demand for the products of its mills. We are well fixed for wood.

Yule Tree Growers Endorse Seedling Reforestation Plan

From Our Own Correspondent

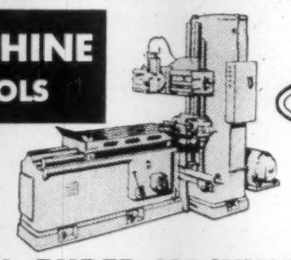
FREDERICTON — A move to have the provincial government follow the example of other provinces and establish nurseries for producing seedlings to be made available at cost to owners of abandoned farms for reforestation was endorsed at a meeting of the New Brunswick Christmas Tree Association.

Held at nearby Acadia Forest Experiment Station, the around 40 growers and shippers attending the one-day meet were warned against shipping scrub trees and urged to improve the quality of their products through pruning and shaping.

No action, however, was taken on separate suggestions that the association consider setting up a credit bureau; that buyers employ inspectors at N. B. Christmas Tree yards; and a central buying agency be established in the province.

A Calais, Me., shipper of New Brunswick trees, C. P. Kiamos, claimed that inclusion of scrub trees in the bales had boosted the sales of artificial trees in the United States, but argued that grading should be limited to size and not based on the quality of the individual tree.

MACHINE TOOLS



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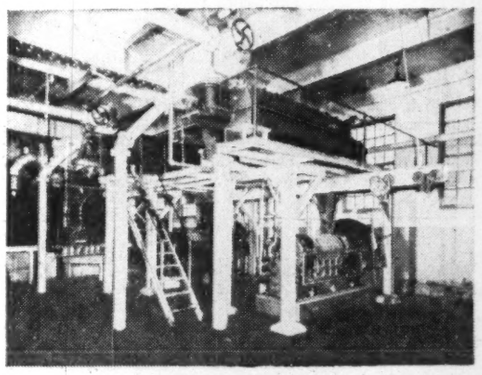
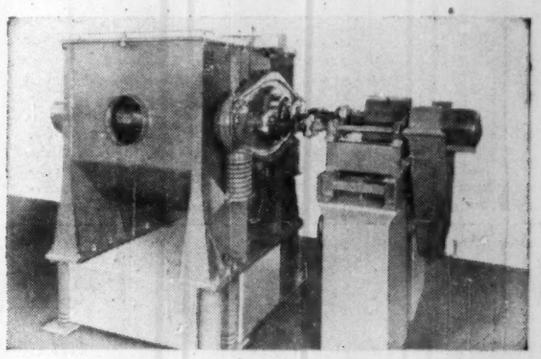
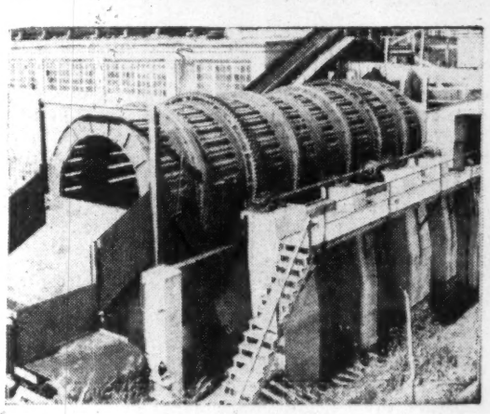




UPPER LEFT: An installation of Haug Refiners and Drainers in a Quebec mill.

LOWER LEFT: "Weldrum" Barker featuring welded fastening for lower maintenance costs.

UPPER RIGHT: Bird Vibrator Screen, the latest in modern screening equipment.



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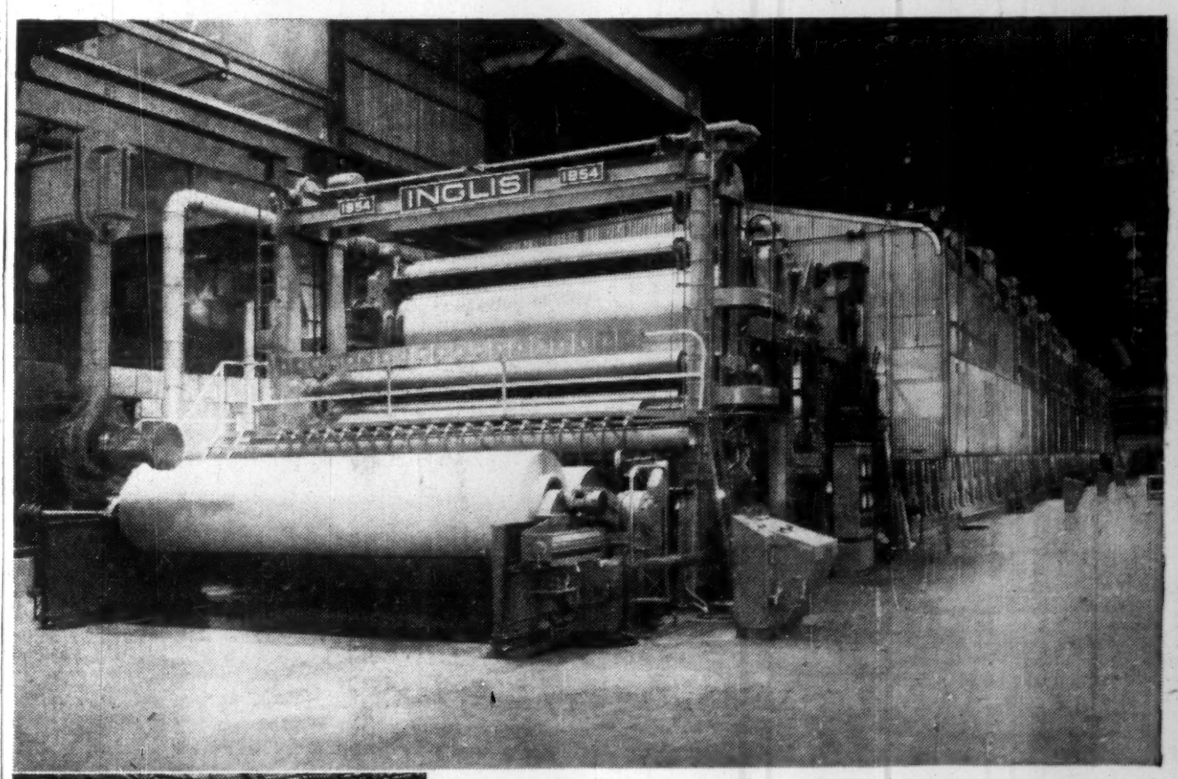

This 240" High Speed Fourdrinier Liner Board Machine for St. Lawrence Corporation was built by Inglis and installed at Red Rock, Ontario. Capacity is 600 tons a day with a top speed of 2,000 feet per minute. It is the first installation of Pusey & Jones "Rapidrape" wire changing device in Canada.

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